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EAST BAYSHORE COMMUNITY COMPREHENSIVE PLANNING PROGRAM

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EAST BAYSHORE COMMUNITY COMPREHENSIVE PLANNING PROGRAM

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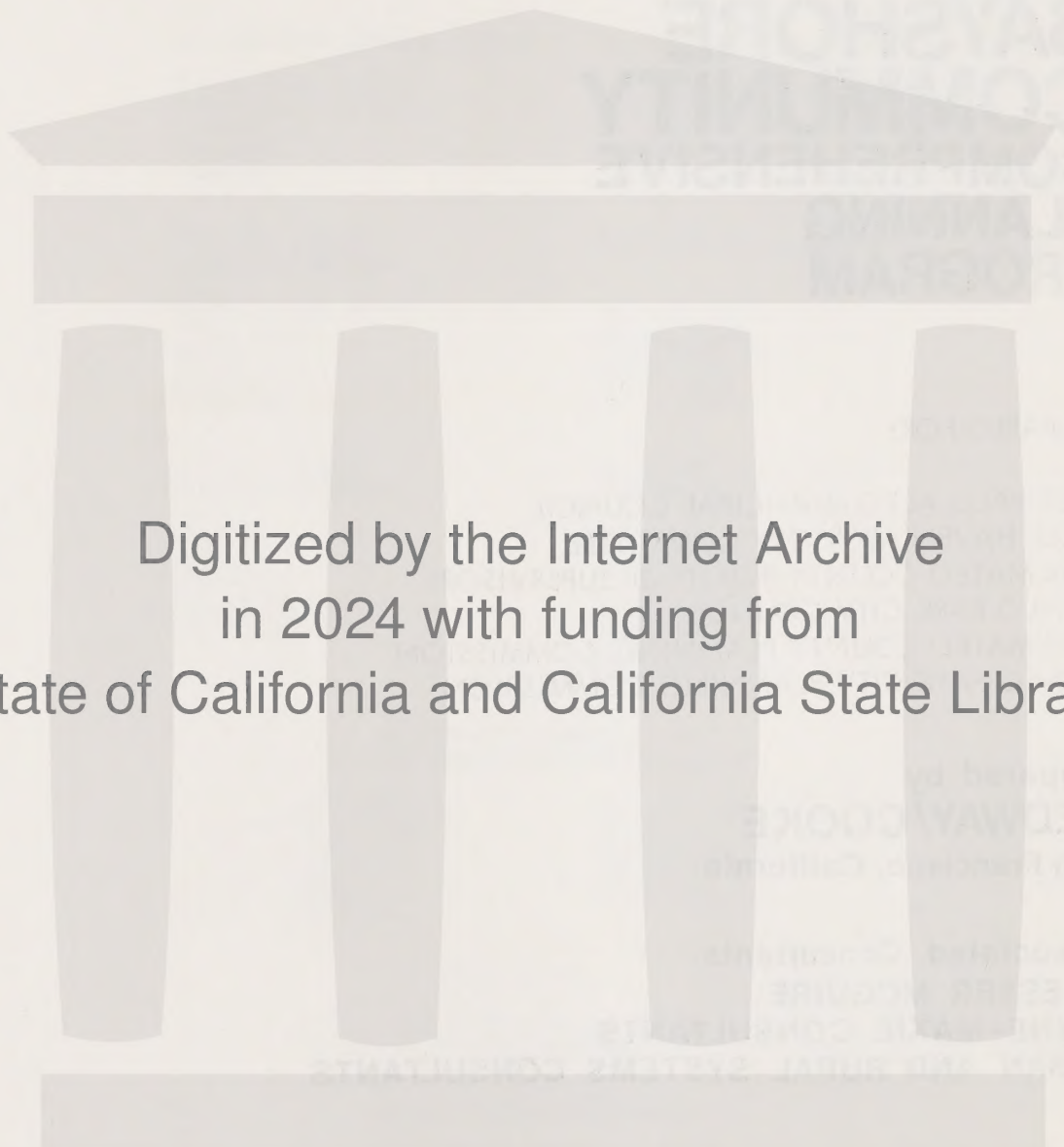
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INTRODUCTION AND FRAMEWORK

The East Bayshore Community is made up of two areas: 1) East Palo Alto, an unincorporated area of San Mateo County; and 2) Belle Haven, a section of the City of Menlo Park. The two areas are separate and distinct in many ways. Belle Haven, as part of a city, has benefited in quality of services and in development of special programs. East Palo Alto, as an unincorporated area, acquired some degree of local self-determination upon creation of the East Palo Alto Municipal Council, which advises the County on the area's problems and needs. Nevertheless, it clearly suffers from its unincorporated status, with lack of local control over services, and from a limited tax base by which to support local services. Additional problems often cited by East Palo Alto residents include lack of control over public schools, high property taxes, a high crime rate, inadequate recreation facilities and sewers, substandard roads, and poor housing.

Although the two constituent areas are in many ways separate and distinct, they share many common problems, including high unemployment, limited commercial services, and inadequate public transportation. In addition, there is a natural interest in the future development of large areas of undeveloped lands accessible both to Belle Haven and East Palo Alto.

Because of their geographical proximity and their common interest, the residents of the two areas have recognized the advantages of working together in development of a plan for the future of the entire East Bayshore area. Approximately two years ago, a group of community residents began working on that plan. Since that time, the 701 Coordinating Committee, several sub-committees, and consultants worked with the East Palo Alto Municipal Council, the Belle Haven Advisory Committee, the County of San Mateo, and the City of Menlo Park to produce policies and programs to guide future development in East Bayshore.

Phase I of the planning program was directed at identifying and formulating community policies and establishing a guide for development, culminating in the Interim Policies Plan. Phase II of the program has involved refining and translating these policies into workable programs and immediate action to structure efforts of public and private agencies, community groups and decision makers. More specifically, the second year program was directed at providing several existing, emerging or anticipated entities - a community planning board, community development corporation, housing development council and public utilities district or county service area - with mutually consistent and workable programs and projects. In this way, true "blueprints for action" are given with the potential power and

direction to accomplish them. Thus, the efforts of Phase II were meant directly to assist the above entities in the following ways: 1) Set relative priorities among policies included in the Interim Policies Plan (derived from major public participation), and indicate corresponding programs; 2) Define and amplify immediate action projects; 3) Identify outside resources (city, county, state, federal, private) and coordinate efforts at bringing these to bear on East Bayshore; 4) Interrelate the various programs and projects; and 5) Develop effective implementation methods and strategies to launch early action.

The Planning Program includes the following components:

1. The Policies Plan is East Bayshore's comprehensive guide to community growth and development, in governmental, social, economic and physical terms. It provides overall goals and a policy base, easily amended, reflecting community attitudes. It provides a consistent basis for decision-making and helps to identify programs and actions to make East Bayshore the kind of community in which its residents wish to live.
2. Programs have been formulated covering planning, economic development, housing and community services. For each program there are targets, indicating the number and/or kind of programs that each community entity should start, strategies identifying approaches pursuant to which a program can most expeditiously be pursued, specific programmatic actions specifying yearly actions and priorities, and more detailed implementing methods needed to carry out the program schedule.

The primary foci of study have been community development, improvement and, occasionally, new growth. The issues of adequacy and levels of services and local administration have been considered only as they influence the above.

THE POLICIES PLAN

A policy is "a course of action adopted and pursued to attain goals or achieve objectives". A Policies Plan is essentially a set of general statements that define the direction and character of future development and set forth the actions necessary to attain this development. The primary difference between a Policies Plan and a traditional General Plan is that the former establishes principles or precepts needed to guide the formulation of proposals whereas the latter generally sets forth proposals and designates sites needed to effectuate policies. Furthermore, Policies Plans are more action and less temporal oriented than General Plans, even though both put emphasis on long-range considerations, and also tend to be more flexible and permanent guides for future development than most general plans.

East Bayshore's Interim Policies Plan was refined during Phase II of the 701 planning program, i.e., the policies conceived in Phase I were updated and where necessary replaced by new policies, and arranged in a new format. Policies have now been arranged in a more systematic order - one which establishes a policy hierarchy and is based on a two-level course of action which goes from the generalized to the more specific action. The first and most general level of policies are indicated as objectives. The second level is a more detailed way of achieving objectives and can often be translated into specific programs. These are indicated as supporting policies. Both the objectives and their supporting policies are grouped under the most appropriate area of community concern.

The following objectives and supporting policies have provided the basis for the planning program.

MAJOR OBJECTIVES AND POLICIES

LOCAL SERVICES

OBJECTIVE 1

MAKE EAST BAYSHORE A BETTER PLACE IN WHICH TO LIVE

Supporting Policies:

Obtain funds for community improvement.

Improve community maintenance and sanitation, with special emphasis on home maintenance.

Preserve physical features which enhance the community's appearance.

Improve and maintain existing public facilities, e.g., parks, school sites, recreational facilities, etc.

Develop small parks and tot-lots in all residential areas.

Increase crime prevention within East Bayshore.

Provide new recreational services for the community.

LOCAL IDENTITY

OBJECTIVE 2

INCREASE LOCAL SELF-IDENTITY FOR THE EAST BAYSHORE AREA WHILE MAINTAINING INTERNAL COMMUNITY AND NEIGHBORHOOD COHESION

Supporting Policies:

Increase community self-sufficiency.

Develop a community communications program.

Encourage home ownership and permanent residence.

Support and/or upgrade East Bayshore commercial and industrial economic base.

Improve East Bayshore's image with neighboring communities.

GOVERNMENT

OBJECTIVE 3

ORGANIZE THE COMMUNITY POLITICALLY

Supporting Policies:

Make service organizations and agencies responsive to community needs.

Increase local control of public services.

Increase local control of public schools and seek additional school funding at the state level.

OBJECTIVE 4

INCREASE EAST BAYSHORE'S POLITICAL INFLUENCE WITH MENLO PARK AND SAN MATEO COUNTY GOVERNMENTS

Supporting Policies:

Strengthen the role of the East Palo Alto Municipal Council and the Belle Haven Advisory Committee.

Work for the eventual incorporation of East Palo Alto.

Consolidate existing service districts into a county service area or utility district.

Coordinate planning policies within East Bayshore.

ECONOMICS

OBJECTIVE 5 INCREASE THE EMPLOYMENT AND INCOME OF THE COMMUNITY'S RESIDENTS

Supporting Policies: Attract professionals and other skilled persons to the community to live and work.

Promote increased employment and job training of residents.

Adhere to an affirmative action policy which secures maximum employment for local residents.

OBJECTIVE 6 INCREASE THE BUSINESS AND ECONOMIC OPPORTUNITIES FOR EAST BAYSHORE

Supporting Policies: Institute an economic development program.

Develop a local and regional transportation system, emphasizing linkages to jobs.

Promote industrial expansion on properties with minimal potential for residential, commercial, or recreation use.

Promote better use of existing industrial areas east and west of Bay Road.

HOUSING

OBJECTIVE 7 STABILIZE RESIDENT POPULATION WITHIN EAST BAYSHORE

Supporting Policies:

Maintain the predominance of single-family detached housing, but allow selected areas to develop with townhouses and low-rise apartments.

Time the construction of new housing with code enforcement and rehabilitation actions to ensure that the program does not merely increase the total stock of housing without also improving conditions of existing housing.

Maintain a portion of the rehabilitated existing stock as low- and moderate-income housing, to diminish the need for new housing and minimize significant increases in population density of the community.

Balance household types by income level and skills.

Facilitate financial aid to potential homeowners, e.g., by aid in obtaining home loans.

OBJECTIVE 8

PROMOTE RESIDENT CONTROL AND RESPONSIBILITY FOR EXISTING AND FUTURE HOUSING

Supporting Policies:

Establish an ongoing housing program.

Create a locally-controlled housing entity to coordinate and sponsor housing for East Bayshore.

Promote cooperative and condominium housing programs, especially for low- and moderate-income families.

Exercise local control of new housing construction, to guarantee the accommodation of desirable residential growth, while avoiding additional pressures on existing services.

OBJECTIVE 9

IMPROVE THE QUALITY OF EAST BAYSHORE AREA HOUSING STOCK WHILE SATISFYING RESIDENTIAL RELOCATION NEEDS

Supporting Policies:

Provide rehabilitation assistance to expedite improvement of housing conditions and to minimize increases in housing cost, e.g.; a FACE program.

Provide for construction of new low- and moderate-income housing as replacement housing for units lost from the housing stock as a result of demolitions, rent increases resulting from code enforcement, and assisted and non-assisted rehabilitation.

Make maximum use of public housing funds and other Federally-assisted housing programs to help maintain an adequate low- and moderate-income housing supply.

OBJECTIVE 10

EMPLOY THE HOUSING PROGRAM AS A MEANS TO ACHIEVE RELATED SOCIAL, ECONOMIC AND CULTURAL OBJECTIVES

Supporting Policies:

Make use of existing public housing programs which permit tenants to obtain ownership of their units.

PHYSICAL DEVELOPMENT

OBJECTIVE 11

IMPROVE THE CHARACTER AND COMPATIBILITY OF PHYSICAL DEVELOPMENT AND FUNCTIONS

Supporting Policies:

Encourage industrial development in the vacant Kavanaugh-Hiller Fairchild properties.

Develop a major commercial, service and professional center in the area of University Avenue and Bay Road.

Upgrade small-scale commercial development along Willow Road.

Confine commercial activities along University Avenue to the area between Donahoe and Belle Streets.

Reserve marshlands and salt ponds along the Bay Shoreline for recreation.

Permit existing horticultural uses to remain as nonconforming uses.

Develop the Cooley's Landing area for marina, park and related commercial use.

Encourage development of Marsh Road, Oregon Expressway, and/or University Avenue extensions as access routes to the Dumbarton Bridge.

Improve Willow Road's functioning as an artery and a distinct community sub-area.













Provide a second means of vehicular access, from the north, for the Belle Haven Area.


Revise and enforce housing codes and standards.

Prohibit through-traffic from residential neighborhoods.

Plan any future residential development with regard to public transportation.

LEGEND

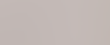
-  MAINTAIN THE SINGLE-FAMILY DETACHED TYPE AS THE MOST EVIDENT FORM OF HOUSING IN THE COMMUNITY.
-  MAINTAIN LOW-RISE APARTMENTS, PREFERABLY OWNER OCCUPIED.
-  1 DEVELOP SELECTED AREAS WITH TOWNHOUSES OR A MINIMUM AMOUNT OF LOW-RISE APARTMENTS, PREFERABLY OWNER OCCUPIED.
-  2 DEVELOP A SINGLE MAJOR NEIGHBORHOOD COMMERCIAL AND PUBLIC SERVICE CENTER IN THE AREA AROUND THE INTERSECTION OF UNIVERSITY AVENUE AND BAY ROAD.
-  3 RETAIN THE SMALL-SCALE COMMERCIAL DEVELOPMENT ALONG WILLOW ROAD.
-  4 CONFINE RETAIL AND PERSONAL SERVICE ACTIVITY ALONG UNIVERSITY AVENUE TO THE SOUTHERNMOST AND NORTHERNMOST PORTIONS OF THE FRONTAGE BETWEEN DONAHOE STREET AND BELL STREET.
-  RESERVE MARSHLANDS AND SALT PONDS ALONG THE BAYSHORE FOR PARK AND RECREATION USE AND MARINA AND RELATED COMMERCIAL DEVELOPMENT.
-  5 DEVELOP THE UNDEVELOPED KAVANAUGH AND HILLER FAIRCHILD PROPERTIES FOR INDUSTRIAL USE.
-  PROMOTE BETTER USE OF ALREADY EXISTING INDUSTRIAL AREAS IMMEDIATELY EAST AND WEST OF BAY ROAD; REMOVE AUTO WRECKING YARDS.
-  DEVELOP SMALL-SCALE NEIGHBORHOOD PARKS OR TOT-LOTS IN RESIDENTIAL AREAS.
-  IMPROVE THE RECREATION FACILITIES AND PROGRAMS OF EXISTING RECREATION SITES.
-  6 DEVELOP THE COOLEY'S LANDING AREA FOR MARINA AND PARK USE, WITH RELATED COMMERCIAL DEVELOPMENT PERMITTED.

 PROVIDE NORTHERN ROAD ACCESS TO BELLE HAVEN AREA BY ARTERIAL CONNECTION FROM MARSH ROAD.

 NEIGHBORHOOD DEVELOPMENT PROJECT BOUNDARY

DUMBARTON BRIDGE ACCESS ROUTES

 WIDEN AND SIGNALIZE WILLOW ROAD FROM STATE HIGHWAY 101 (THE BAYSHORE FREEWAY) TO STATE HIGHWAY 84 (DUMBARTON BRIDGE APPROACH).

 CONNECT STATE HIGHWAY 84 WITH 101 SOUTH OF EAST PALO ALTO, VIA OREGON EXPRESSWAY AND/OR UNIVERSITY AVENUE TO PROVIDE ACCESS TO THE INDUSTRIAL AREA AROUND BAY ROAD. IF THE LATTER ROUTE IS USED IT SHOULD BE APPROPRIATELY SIGNALIZED.

 CONNECT STATE HIGHWAY 84 TO MARSH ROAD.

EAST BAYSHORE

COMPREHENSIVE PLANNING PROGRAM

SEDWAY/COOKE URBAN PLANNERS AND DESIGNERS
CHESTER MCGUIRE · PAYNE · MAXIE · URSA

PHYSICAL POLICIES DIAGRAM

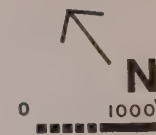


FIGURE 1

PROGRAM FORMULATION

The Policies Plan will guide decisions on community development and serve as the basis for developing and evaluating new programs. However, before the Plan can be effectively used in this way, relative priorities had to be established among objectives and supporting policies. This then helped to establish a relative priority among programs, a necessary step before programming actions in a setting of limited resources. Questionnaires, interviews and meetings were used primarily to estimate relative priorities. Finally, an independent/dependent variables matrix was used.

Relative priorities were first established among objectives. Each objective was set in the matrix as an independent, and as a dependent, variable; then each independent variable was correlated with each dependent variable. Where necessary independent variables were weighted in accordance with community predilection, the availability of resources (i.e., public and private) and community needs. The independent variables were considered among the most important. Table 1 illustrates this process.

The objectives with the highest relative priority based on all analyses, are listed and follows in the order of relative importance:

1. Make East Bayshore a better place in which to live.
2. Organize the community politically.
3. Improve the character and compatibility of physical development and functions.
4. Promote resident control of, and responsibility for, existing and future housing.
5. Improve the employment and/or economic opportunities for the residents of East Bayshore.
6. Increase East Bayshore's political influence with the Menlo Park City and San Mateo County governments.

The same type of matrix and procedure was then used to determine the relative priority of policies. In this matrix, policies were independent variables and objectives were dependent variables. Each independent variable (policy) was correlated to each dependent variable (objective). The policies which influenced the greatest number of objectives, weighted by earlier priorities, were considered to have the highest priority (see Table 2.) The following policies are considered to have the highest priority and are listed in the order of their relative importance.

1. Institute an economic development program.
2. Obtain funds for community development.

3. Strengthen the role of the EPAMS and the BHAC.
4. Coordinate planning in East Bayshore.
5. Promote increased employment and job training of residents.
6. Establish an ongoing housing program.
7. Increase local control of public services.
8. Develop a major commercial, service, and professional center in the area of University Avenue and Bay Road.
9. Encourage development of Marsh Road, Oregon Expressway and/or University Avenue as access routes to the Dumbarton Bridge.
10. Preserve physical features which enhance the community's appearance.

AREAS OF PROGRAM DEVELOPMENT

Once priorities were established among the objectives and supporting policies major areas for program development were determined. These are listed below.

1. Establish a community-based community development corporation which develops action plans and obtains operational funds and staff.
2. Make the East Palo Alto Municipal Council members the legal planning commission for East Palo Alto.
3. Establish an East Bayshore Planning Board and make it responsible for coordinating planning and development in the community. The Planning Board should include the East Palo Alto Planning Commission members and citizen representatives from Belle Haven and East Palo Alto.
4. Revise the General Plans and Zoning Ordinances of the County and of the City of Menlo Park to reflect the recommendations of the Policies Plan.
5. Consolidate the local districts in East Palo Alto that provide water, sanitation, parks, lighting, drainage and supplementary police service into a Public Utility District or a County Service Area with the East Palo Alto Municipal Council as directors and develop community improvement programs.
6. Revise economic development programs, tailored to the specific needs of East Bayshore, that the community-based community development corporation can undertake.
7. Establish a community-based housing organization and develop programs which improve housing and provide economic benefits to East Bayshore.

TABLE 2 INTERRELATIONSHIP OF COMMUNITY OBJECTIVES AND POLICIES

AREA OF CONCERN		OBJECTIVES										
		1	2	3	4	5	6	7	8	9	10	11
		Make East Bayshore a better place to live	Increase local self-identity for the East Bayshore area while maintaining internal community and neighborhood identity.	Organize the community politically	Increase East Bayshore's political influence with the Menlo Park City and San Mateo County governments	Increase the income of the community's residents	Improve the employment and/or economic opportunities for the residents of East Bayshore	Stabilize population density within East Bayshore	Promote resident control and responsibility for existing and future housing	Improve the quality of East Bayshore area housing stock while satisfying residential relocation needs	Employ the housing program as a means to achieve related social, economic and cultural objectives	Improve the community's ability to control and guide development within its boundaries
LOCAL SERVICE	Obtain funds for community development.	•	•	•	•	•	•		•	•	•	•
	Improve community maintenance and sanitation with special emphasis on home maintenance.	•	•	•						•		
	Preserve physical features which enhance the community's appearance.	•	•	•	•		•		•		•	•
	Improve and maintain existing public facilities, e.g., parks, school sites, recreational facilities, etc.	•	•	•								•
	Develop small unique parks and tot-lots in residential areas.	•	•	•								•
	Improve crime prevention within East Bayshore.	•	•									
	Provide new recreational opportunities for the community.	•	•									
	Increase community self-sufficiency.	•	•	•	•		•		•		•	•
	Develop a community communication program.	•	•	•			•		•			•
	Encourage home ownership and permanent residency.	•	•	•				•		•		
	Support and/or upgrade East Bayshore commercial and industrial efforts.	•	•	•		•						•
	Improve East Bayshore's image with neighboring communities.	•	•	•	•							
	Make police organization service responsive to community needs.	•	•	•	•		•			•		•
	Increase local control of public services.	•	•	•	•		•			•	•	•
	Increase local control of public schools and seek additional school funding at the state level.	•	•	•	•		•					•
GOVERNMENT	Strengthen the role of the East Palo Alto Municipal Council and the Belle Haven Advisory Committee.	•	•	•	•	•	•	•	•	•		•
	Work for the eventual incorporation of East Palo Alto.		•	•	•							•
	Consolidate existing service districts into a county service area or a utility district.	•	•	•	•							
	Coordinate planning in East Bayshore.	•	•	•	•		•	•	•	•	•	•
	Attract professionals and other skilled people to the community to live and work.	•	•	•		•	•	•		•		
ECONOMICS	Promote increased employment and training of residents in local public services.	•	•	•	•	•	•	•		•		
	Institute an economic development program.	•	•	•	•	•	•	•	•	•	•	•
	Develop a local and regional transportation system, emphasizing linkages to jobs.	•	•	•		•	•					
	Promote industrial expansion on properties with minimal potential for residential, commercial and park and recreation uses.	•	•	•	•	•	•	•		•		
	Promote better use of existing industrial areas east and west of Bay Road.	•	•	•		•	•					•
	Adhere to an affirmative action policy which secures maximum employment for local residents.		•	•	•	•	•				•	

[illegible]

COMPREHENSIVE COMMUNITY IMPROVEMENT PROGRAM

Based upon all of the above criteria, resources available to the community, and supporting analyses, a comprehensive set of specific programs were formulated to assist in the implementation of the Policies Plan. These programs, which are discussed in detail in the succeeding chapters, cannot be considered totally comprehensive, i.e., covering every possible subject for which there is government responsibility. But they do attempt to focus on those matters which are either: 1) of primary urgency, and therefore have been given priority; or 2) of such a nature that there is a likelihood that a functioning entity or one likely to be created can pursue the program.

The Community Improvement Program (CIP) is the summation of all the programs, i.e., physical and programmatic, developed during Phase II. It covers a five year period and should commence once the community approves the programs set forth in this document. Whereas the Policies Plan is a comprehensive rather long-range guide, the CIP is a specific short-range action guide. The CIP consists of a schedule of programs featuring the type of program, implementing entity(ies), potential sources of financing, estimated cost and sequence of implementation (see Table 3) and a map of physical improvements (see Figure 2).

COMPREHENSIVE COMMUNITY IMPROVEMENT PROGRAM PROCESS

The CIP is an initial attempt to develop a process to enable community policy makers to continuously program and monitor community improvement actions. Furthermore, it will establish a comprehensive and orderly scheduling of priorities among the improvements to be undertaken in East Bayshore. The community should realize the following advantages from the implementation of a CIP.

1. THE IMPLEMENTATION OF THE POLICIES PLAN

The CIP can become a tool for carrying out the Policies Plan rather than simply being a summary of programs if the East Bayshore Planning Board (EBPB) monitors its progress because it closes the gaps between fiscal, programmatic and physical planning.

2. THE YEARLY REVIEW OF PRIORITIES

The CIP process encourages the annual review of priorities to ensure that the most crucial projects are implemented first.

3. BETTER COORDINATION AMONG PROJECTS WITH RESPECT TO LOCATION, FUNCTION AND TIMING

4. AN INDICATION OF WHERE SITES FOR PROJECTS AND WHERE ADVANCE ACQUISITION SHOULD OCCUR
5. THE OPPORTUNITY FOR LONG-RANGE FINANCIAL PLANNING
6. THE BEGINNING OF OPERATIONS PLANNING BY ORGANIZATIONS INVOLVED IN THE PROGRAM

Since operational and facility needs can only be determined by evaluating whether particular operating programs should be expanded, limited, revised or replaced, the necessity of submitting short range plans to the EBPB fosters such evaluation.

7. THE ESTABLISHMENT OF A FRAMEWORK FOR MANAGERIAL DECISIONS CONCERNING THE COMMUNITY

In looking ahead five years to see what programs should be initiated, community organizations will be forced simultaneously to determine how to operate these programs most effectively.

8. PROTECTION AGAINST UNDUE INFLUENCE FROM PRESSURE GROUPS

By thoroughly examining neighborhood and organizational demands on a community-wide basis and by weighing these demands against information concerning population, service areas, and other factors, East Bayshore can be better protected from the undue influence of pressure groups at the expense of the community at large.

9. THE OPPORTUNITY FOR RESPONSIBLE COMMUNITY EVALUATION

While the CIP can help to protect against the undue influence of pressure groups, as a public document, it will enable local groups to react to the community's proposals or lack of proposals for their areas. Therefore, the CIP can stimulate community response, which in turn provides another input into the whole CIP process. The staff of the local planning entity should obtain much of this input as they present the CIP to community groups and communicate community needs to the local planning board.

Most importantly the implementation of the CIP will expedite the process of achieving the primary objective of the "701 Planning Program", i.e., making East Bayshore a better place to live. The CIP is not a panacea for all of the community's ills but rather is an important step toward improving living conditions in East Bayshore.

All of the programs included in the CIP are designed to facilitate orderly growth without drastically altering the size of the community's population. The basic emphasis of these programs is to develop a sound community infrastructure, covering all of the areas

of community concern outlined in the Policies Plan, that would improve living conditions without attracting large numbers of new residents. Therefore, the programs outlined in the CIP schedule are intended to provide the basic amenities, (such as more centralized government, a public service and community shopping center, better streets and parks, etc.) that present and future residents of the community need and are entitled to.

When the CIP is completed East Bayshore will still be a community of predominantly single family detached homes with a scattering of low-rise apartments and townhouses. For (as discussed in the Housing Development Section of the report), the primary emphasis of the housing program is to rehabilitate existing houses rather than to construct new ones. Most of the new construction is planned to occur within the NDP. Manifestly, the community's population is expected to grow commensurately with the implementation of these programs from its 1970 estimated high of 22,000 to approximately 25,000 by the end of the CIP. The total cost for all of the projects that have their estimated cost listed in the schedule, except the Dumbarton Bridge Project, comes to about \$4.3 million. Approximately \$300,000 of this total is needed for projects in Belle Haven; the balance is needed for East Palo Alto projects.

In summation, East Bayshore is going to continue to be a bedroom community even after the CIP is implemented, but the residents of the community will have more amenities and greater influence over the destiny of the area.

COMMUNITY IMPROVEMENT PROGRAM SCHEDULE

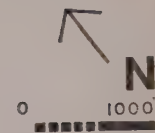
The Community Improvement Program proposals are listed under seven column headings in Table 3. Column 1 indicates the community service areas - and is defined in the Public Service section of this report - by alphabetical letter, from A to U (please refer to figure 12), for which each program is intended. The letters CW indicate proposals that are communitywide. All of the projects proposed within each community service area are numbered Column 2 indicates these numbers. The specific project names are indicated in Column 3, while Column 4 indicates the estimated cost of each project when this data is available. Column 5 identifies the entity or entities responsible for implementing the proposal. These are the entities in whom primary responsibility is vested; many other agencies that could, or should, assist in implementation are not identified in the summary table. Entities are indicated by the abbreviations MPSD - Menlo Park Street Department; MPPC - Menlo Park Planning Commission; PUD - Public Utility District; CSA - County Service Area; CDC - Community Development Corporation; HDC - Housing Development Corporation; EBPB - East Bayshore Planning Board; EPAPC - East Palo Alto Planning Commission; SMCPC - San Mateo County Planning Commission; NDP - Neighborhood Development Program; SMCPRD - San Mateo County Parks and Recreation Department; CSTBA - California State Toll Bridge Authority; CSDH - California State Division of Highways; SMCBS - San Mateo County Board of

Supervisors. Column 6 identifies some of the potential sources of financing. This listing is not intended to exclude use or consideration of other resources, public or private, that also might be used to finance proposals. Column 7 identifies the year each program should be initiated.

The funding for some of the federal programs listed as potential financial sources in the schedule have been frozen. However, these programs have not been removed from the schedule for the following reasons: 1) they have not officially been terminated and there is a real possibility that some, if not all of them, will be refunded; 2) they still represent the most current programs available to the community; and 3) even if they are terminated, they will probably be replaced by new, more comprehensive programs such as the "Better Communities Act" under the special revenue sharing concept which will combine many of them into single block grants.

EAST BAYSHORE

COMPREHENSIVE PLANNING PROGRAM



SEDWAY/COOKE URBAN PLANNERS AND DESIGNERS
CHESTER McGUIRE · PAYNE-MAXIE · URSA

COMMUNITY SERVICE AREAS

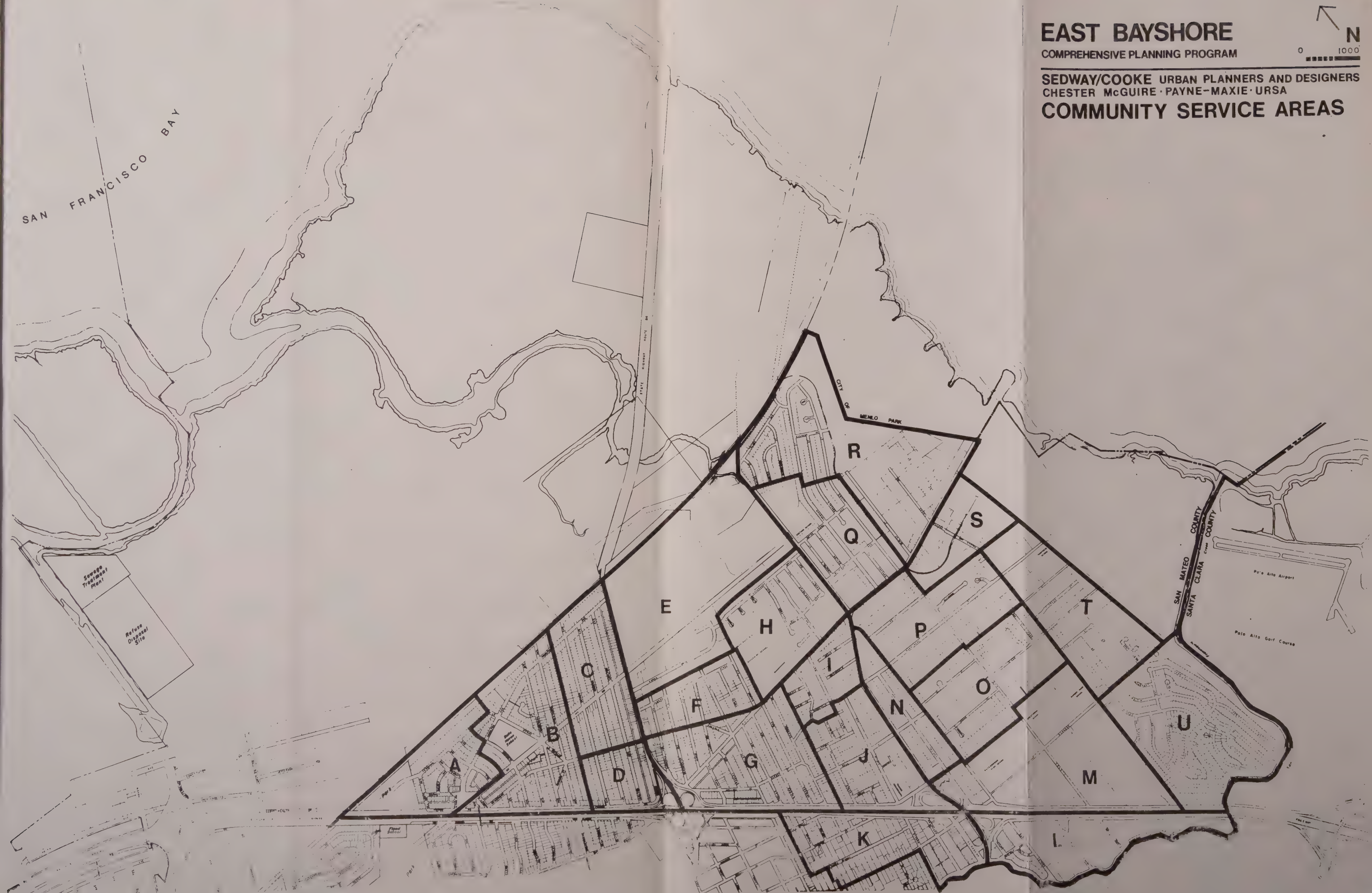


FIGURE 12

TABLE 3
COMMUNITY IMPROVEMENT PROGRAM SCHEDULE

COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
A	1	Street Trees	4,500	MPSD;PUD CSA;CDC	HUD Open Space Land Grant: Cal. St. Division of Forestry			X		
	2	Bicycle Pedestrian Path	450	MPSD ;PUD CSA;CDC	HUD Open Space Land Grant			X		
	3	Traffic Island	1,100	MPSD;PUDorCSA;CDC	City of Menlo Park				X	
	4	Kelly Park	250,000	MPRD	City of Menlo Park	X				
B	1	Single Family Detached Home	—	MPPC;EBPD	Menlo Park City Council and Planning Commission	X				
	2	Street Trees	3,000	MPSD;PUDorCSA;CDC	HUD Open Space Land Grant: Cal.St. Division of Forestry			X		
	3	Bicycle & Pedestrian Path	300	MPSD;PUDorCSA;CDC	HUD Open Space Land Grant			X		
	4	Traffic Island	1,100	MPSD;PUDorCSA;CDC	Menlo Park			X		
	5	Close Part of Street	1,100	MPSD;PUDorCSA;CDC	Menlo Park				X	
C	1	Rezone to Single Family De-tach	—	MPPC;EBPD	Menlo Park City Council and Planning Commission	X				
	2	Street Trees	5,500	MPSD;PUCorCSA;CDC	HUD Open Space Land Grant: Cal.St.Division of Forestry			X		
	3	Bicycle & Pedestrian Path	500	MPSD;PUCorCSA;CDC	HUD Open Space Land Grant			X		
	4	Diagonal Parking	6,600	MPSD;PUCorCSA;CDC	Menlo Park			X	X	
	5	Tot Lot	2,938	MPSD;PUCorCSA;CDC	HUD Open Space Land Grant				X	
D	1	Diagonal Parking	4,400	MPSD;PUCorCSA;CDC	Menlo Park				X	
	2	Sitting Area	3,200	MPSD;PUCorCSA;CDC	HUD Open Space Land Grant		X			
E	1	Rezone to Single Family De-tached	—	MPPC;EBPD	Menlo Park City Council and Planning Commission	X				
	2	Reduced Crosswalks	1,100	MPSD	Menlo Park City Council				X	
F	1	Initiate a Federally Assisted Code Enforcement Program	—	PUD or CSA;CDC-HUD	HUD Section 117 FACE Program - San Mateo County		X			
	2	Street Trees	4,100	PUD or CSA;CDC	HUD Open Space Land Grant: Cal.St. Division of Forestry			X		
	3	Bicycle & Pedestrian Path	2,400	PUD or CSA;CDC	HUD Open Space Land			X		
	4	Sitting Area	1,825	PUD or CSA;CDC	HUD Open Space Land Grant	X				
	5	Enlarge Street & Construct Curbs & Gutters	205,000	PUD or CSA;CDC	San Mateo County			X		
G	1	Rezone to Single Family De-tached Houses	—	EPAPC	San Mateo County Board of Supervisors & Planning Commission	X				
	2	Federally Assisted Code Enforcement Program	—	PUDor CSA;CDC-HDC	HUD Section 117 FACE Program - San Mateo County		X			
	3	Street Trees	5,000	PUDorCSA;CDC	HUD Open Space Land Grant California State Division of Forestry			X		

TABLE 3 (CONT.)

COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
G	4	Pave an Alley	3,000	PUDorCSA;CDC	San Mateo County Board of Supervisors			X		
	5	Bicycle & Pedestrian Path	500	PUDorCSA;CDC	HUD Open Space Land Grant			X		
	6	Diagonal Parking	5,500	PUDorCSA;CDC	San Mateo County			X		
	7	Enlarge Streets & Construct Curbs & Gutters	891,000	PUDorCSA;CDC	San Mateo County			X		
	8	Sitting Area	3,867	PUDorCSA;CDC	San Mateo County			X		
	9	Neighborhood Park	8,404	PUDorCSA;CDC	HUD Open Space Land Grant		X			
H	1	Street Trees	14,900	PUDorCSA;CDC	HUD Open Space Land Grant			X		
	2	Government & Health Centers	—	PUDorCSA;CDC	HUD Public Facilities Grant - HEW		X			
	3	Enlarge Streets & Construct Curbs & Gutters	245,000	PUDorCSA	San Mateo County			X		
	4	Reduced Crosswalks at Intersections	2,200	PUDorCSA	San Mateo County			X		
I	1	Federally Assisted Code Enforcement Program	—	PUDorCSA;CDC-HDC	HUD Section 117 FACE Program		X			
	2	Street Trees	9,600	PUDorCSA;CDC	HUD Open Space Land Grant			X		
	3	Bicycle & Pedestrian Path	240	PUDorCSA;CDC	HUD Open Space Land Grant			X		
	4	Reduced Crosswalks at Intersections	1,100	PUDor CSA	San Mateo County			X		
	5	Close Sections of a Street	1,100	PUDorCSA	San Mateo County			X		
	6	Enlarge Streets & Construct Curbs & Gutters	555,000	PUDorCSA	San Mateo County			X		
J	1	Rezone to Single Family Detached Houses	—	EPAPC	San Mateo County	X				
	2	Federally Assisted Code Enforcement Program	—	PUDorCSA;CDC-HDC	HUD Section 117 FACE Program		X			
	3	Street Trees	19,700	PUDorCSA	HUD Open Space Land Grant - Cal. St. Division of Forestry			X		
	4	Bicycle & Pedestrian Path	240	PUDorCSA	HUD Open Space Land Grant			X		
	5	Reduce Crosswalks at Intersection	2,200	PUDorCSA	San Mateo County			X		
	6	Enlarge Roads and Construct Curbs & Gutters	306,000	PUDorCSA	San Mateo County			X		
	7	Ravenwood Park	250,000	PUDorCSA	HUD Open Space Land Grant	X				

TABLE 3 (CONT.)

COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
K	1	Sitting Areas	14,216	PUD or CSA	HUD Open Space Land Grant			X		
L	1	Rezone to Facilitate Town- houses and/or Low Rise Apartments	—	EPAPC or SMCPC	San Mateo County	X				
	2	Neighborhood Park	20,640	PUD or CSA	HUD Open Space Land Grant		X	X		
M	1	Rezone to Single Family De- tached Houses	—	EPAPC or SMCPC	San Mateo County	X				
	2	Rezone to Facilitate Town- house/Low Rise Apts.	—	EPAPC or SMCPC	San Mateo County	X				
	3	Street Trees	11,000	PUD or CSA	HUD Open Space Land Grant - Cal.St. Division of Forestry			X		
	4	Bicycle or Pedestrian Path	1,160	PUD or CSA	HUD Open Space Land Grant			X		
	5	Enlarge Roads and Construct Curbs and Gutters	165,000	PUD or CSA	San Mateo County	X				
N	1	Rezone to Single Family De- tached Houses	—	EPAPC or SMCPC	San Mateo County	X				
	2	Street Trees	1,200	PUD or CSA	HUD Open Space Land Grant - Cal.St. Division of Forestry		X			
	3	Bicycle and Pedestrian Path	120	PUD or CSA	HUD Open Space Land Grant		X			
O	1	Rezone to Facilitate Town- house/Low Rise Apts.	—	EPAPC or SMCPC	San Mateo County		X			
	2	Enlarge Streets and Construct Curbs, Gutters and/or Other Utilities	NDP Project	PUD or CSA	HUD Open Space Land Grant & NDP Program		X			
	3	Playground	NDP Project	PUD or CSA	HUD Open Space Land Grant & NDP Program		X			
	4	Sponsor Housing Program in the Green Street Project	—	CDC	HUD 235, 236 and Section 23 Conventional Middle Income Housing Program 10.203(6)	X				
	5	Street Trees	NDP Project	PUD	HUD Open Space Land Grant - Cal.St. Division of Forestry				X	
P	1	Rezone to Facilitate Town- houses/Low Rise Apts.	—	EPAPC or SMCPC	San Mateo County	X				
Q	1	Bicycle & Pedestrian Path	600	PUD or CSA	HUD Open Space Land Grant		X			
	2	Reduce Crosswalks at Intersections	5,500	PUD or CSA	San Mateo County HUD		X			

TABLE 3 (CONT.)

COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
Q	3	Improve Space Utilization of Existing Park	50,000	PUD or CSA	HUD Open Space Land Grant				X	
	4	Street Trees	18,800	PUD or CSA	HUD Open Space Land Grant, Cal. St. Division of Forestry		X			
	5	Enlarge Streets & Construct Curbs & Gutters	NDP Project	PUD or CSA	HUD NDP Program, San Mateo County		X			
R	1	Street Trees	11,600	PUD or CSA	HUD Open Space Land Grant - Cal. St. Division of Forestry				X	
	2	Bicycle & Pedestrian Path	1,160	PUD or CSA	HUD Open Space Land Grant				X	
	3	Enlarge Road(s) & Construct Curbs, Gutters, etc.	NDP Project	PUD or CSA	HUD NDP Program - San Mateo County				X	
	4	Hetch-Hetchy Playground	77,099	PUD or CSA	HUD Open Space Land Grant			X		
	5	Reduce Crosswalks	2,200	PUD or CSA	San Mateo County			X		
	6	Industrial Development	NDP Project	CDC	HUD-NDP Program, OMBE, SBA					X
S	1	Rezone to Manufacturing	—	EPAPC	San Mateo County	X				
	2	Street Trees	3,000	PUD or CSA	HUD Open Space Land Grant; NDP Program, Cal. St. Division of Forestry				X	
	3	Bicycle & Pedestrian Path	300	PUD or CSA	HUD Open Space Land Grant				X	
	4	Enlarge Streets & Construct Curb & Gutters	NDP Project	PUD or CSA	San Mateo County				X	
	5	Industrial Development	NDP Project	CDC	HUD-NDP Program, OMBE, SBA					X
T	1	Rezone for Townhouses and/or Low Rise Apartments	—	EPAPC, SMCPC and/or MPPC	San Mateo County and/or the City of Menlo Park	X				
	2	Trees	6,800	PUD or CSA	HUD Open Space Land Grant - Cal. St. Division of Forestry				X	
	3	Bicycle & Pedestrian Path	680	PUD or CSA	HUD Open Space Land Grant				X	
	4	Enlarge Streets & Construct Curbs and Gutters	NDP Project	PUD or CSA	HUD-NDP Program and/or San Mateo County			X		
	5	Community Park	NDP Project	PUD or CSA	HUD Open Space Land Grant, NDP Program					X
U	1	Street Trees	9,000	PUD or CSA	HUD Open Space Land Grant				X	
	2	Bicycle & Pedestrian Path	900	PUD or CSA	HUD Open Space Land Grant				X	
	3	Playground	18,587	PUD or CSA	HUD Open Space Land Grant	X				

TABLE 3 (CONT.)

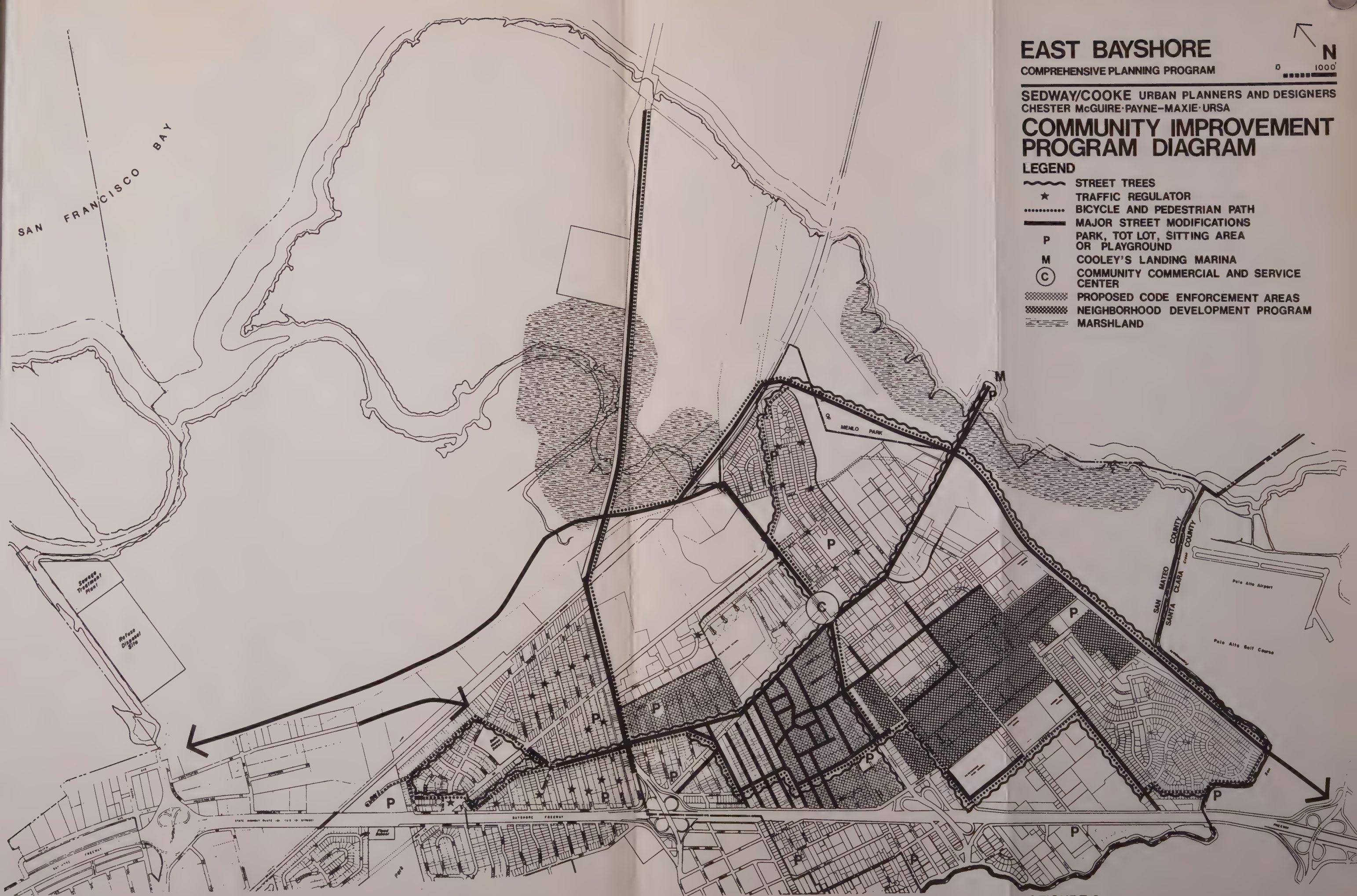
COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
CW	1	Cooley's Landing (Land Acquisition)	750,000	SMCPPD	San Mateo County Charter Amendment, HUD Open Space Land Grant					X
	2	Auto Service Center	100,000	CDC	OMBE, MESBIC, Small Business Administration, Local Banks & Saving and Loans, Major Automobile Companies	X				
	3	Create a Local Housing Development Entity	—	CDC	Subscription from Individuals in the Community; Loans & Grants from Foundations & Businesses; Piggy-Backing with Existing Federal & Local Programs, e.g., OMBE and the NDP	X				
	4	Sponsor the Construction of New Public Buildings	—	CDC and/or PUD	Lease Back Program	X				
	5	Develop Cooperative Housing	—	CDC/HDC	H D 235, 236 and 212 Housing Programs; Foundation for Cooperative Housing and the MOD Foundation			X		
	6	Start a Housing Rehabilitation Program	—	CDC/HDC	HUD 235 and 236 Housing Programs, 221(H) for Multi-Family Units, 312 Program, Sections 115 and 117	X				
	7	Home Ownership Counseling Service	—	CDC/HDC	HUD Section 237 and 235H	X				
	8	Inovative Financing Program	—	CDC/HDC	Bank Guaranteed Loans Against Default - East Palo Alto Bank of America Branch, Other Commercial Banks and/or Savings and Loans		X			
	9	Initiate a Housing Consumer Assistance Program	—	CDC/HDC	East Palo Alto Redevelopment Agency's Building Department, HUD and any Other Interested in Housing Consumer Education	X				
	10	Initiate a Housing Management Program	—	CDC/HDC	Same as above			X		
	11	Initiate a Community Communications Program	75,000	EPAMC/EBPB, PUD or CSA	Local and/or National Foundations, Schools of Communication, Network Television Companies, Telephone Company, Utility Companies					X
	12	Community Professional Group Practices	—	CDC-PUD	Revenue Bonds, Local, State and Federal Governmental Agencies (e.g., the HDC, San Mateo County; Hew, HUD)					X
	13	Local Electric Distribution System	—	PUD	City of Palo Alto, Revenue Bonds				X	

TABLE 3 (CONT.)

COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
CW	14	Local Transit System	—	CDC and/or PUD	Urban Mass Transportation Administration (UMTA) Research and Development Grants; UMTA Capital Improvement Loans			X		
	15	Obtain Funds and/or Staff for the CDC	—	CDC	U.S. Dept. of Commerce Office of Minority Business Enterprise (OMBE); Business Development Organizations (BDOS); Grants for Special Projects, Call Contracts, EDA; Grants for Special or Demonstrative Projects; SBA 406 Contracts; State of California; SBA's 8(a) Program; OMBE's Minority Procurement Program; GSA's Procurement Set-Aside Efforts - SBA's 502 and Guaranteed Loan Program; Minority Enterprise Small Business Investment Company (MESBICS)	X				
	16	Create a CDC Job Development Staff	—	CDC	Same as above	X				
	17	Strengthen Existing Manpower Development Program	—	CDC	Department of Labor's Manpower Development Training Act, Neighborhood Youth Corps, Work Training in Industry, Work Incentive Program for Welfare Recipients, National Alliance of Businessmen	X				
	18	Inventory the Needs of the East Bayshore Unemployed	—	CDC	Same as above	X				
	19	Recruit Enrollees for Job Development	—	CDC	Department of Labor	X				
	20	Coordinate Training Design with Total Community Development	—	CDC	Department of Labor	X				
	21	Create an East Bayshore NAB-Job Contract Program	—	CDC	National Alliance of Business Men (NAB); i.e., Private Industry-Manpower Administration, State of California Department of Human Resources	X				
	22	Launch a Concentrated Employment Program (CEP)	—	CDC	Department of Labor		X			
	23	Widen & Signalize Willow Rd & Provide Bicycle & Pedestrian Path	—	CSDH	State of California Highway Fund				X	
	24	Build a New Dumbarton Bridge	40 million	CSTBA	State of California Toll Bridge Authority					X

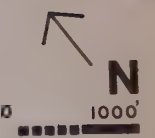
TABLE 3 (CONT.)

COMMUNITY SERVICE AREA(S)	PROJECT #	PROJECT NAME	ESTIMATED COST IN DOLLARS	IMPLEMENTING ENTITIES	POTENTIAL FINANCIAL SOURCES	ACTION YEAR				
						1ST	2ND	3RD	4TH	5TH
CW	25	Construct the Marsh Road Access Route to the Dumbarton Bridge & Northern Access Road to BelleHaven	—	CSTBA	State of California Toll Bridge Authority				X	
	26	Construct the Oregon Expressway, and/or University Avenue to the Dumbarton Bridge.	—	CSTBA	State of California Toll Bridge Authority				X	
	27	Construct an Appropriate Storm Drain System	—	PUD or CSA	HUD Water and Sewer Grant	X				
	28	Expansion of Drew Health Center to a Health Maintenance Organization	—	Drew Health Center	HEW Section 314e		X			
	29	Expansion of Mental Health Services	—	CDC	EOC, HEW, San Mateo County		X			
	30	Drug Abuse & Narcotics	—	Drew Health Center	California Mental Hygiene (Short-Doyle) Program and San Mateo County	X				
	31	Establish a Cooperative Grocery Store	150,000	CDC	OMBE, MESBIC, Small Business Administration, Local Banks and Savings and Loans	X				
	32	Establish a Cooperatively Run Clothing & Personal Goods Store	—	CDC	OMBE, MESBIC, Small Business Administration, Local Banks and Savings and Loans		X			
	33	Establish the East Palo Alto Planning Commission	—	EPAMC, SMCPC SMCBS	N/A					
	34	Establish a Local Community Development Corporation	—	EPAMC	OMBE, MESBIC, Small Business Administration, Local Banks, Savings and Loans, etc.	X				
	35	Consolidate the Local Public Utilities, i.e. a DSA or PUD	—	EPAMC, SMCBS	N/A	X				



EAST BAYSHORE

COMPREHENSIVE PLANNING PROGRAM



SEDWAY/COOKE URBAN PLANNERS AND DESIGNERS
CHESTER MCGUIRE-PAYNE-MAXIE-URSA

COMMUNITY IMPROVEMENT PROGRAM DIAGRAM

LEGEND

- STREET TREES
- TRAFFIC REGULATOR
- BICYCLE AND PEDESTRIAN PATH
- MAJOR STREET MODIFICATIONS
- PARK, TOT LOT, SITTING AREA OR PLAYGROUND
- COOLEY'S LANDING MARINA
- COMMUNITY COMMERCIAL AND SERVICE CENTER
- PROPOSED CODE ENFORCEMENT AREAS
- NEIGHBORHOOD DEVELOPMENT PROGRAM
- MARSHLAND

FIGURE 2

COMMUNITY PLANNING PROGRAM

PLANNING PROCESS

The Interim Policies Plan for East Bayshore contained as a recommended immediate program, "Establish an East Bayshore Planning Board and develop programs covering East Palo Alto and Belle Haven. The Planning Board should work with the City of Menlo Park and San Mateo County to secure changes recommended in the Policies Plan". This recommendation arose from East Bayshore's urgent need for a coordinated planning program.

Several alternative planning structures were analyzed as to suitability for East Bayshore during earlier stages of the "701" Planning Program and several different ones would have worked. The structure described below combines some of the features of earlier proposals, including a new state law on local area planning commissions, with recommendations from the community. It should be noted that the structure is a preliminary proposal and as such is intended to illustrate the role of a local planning entity. Further, it is presented as a flexible recommendation which is subject to additional community discussion and input, but is flexible enough to ultimately be implemented.

The proposal described below calls for the establishment of two new community planning entities. It would be implemented in two phases over an unspecified period of time. During Phase I an East Palo Alto Planning Commission (EPAAPC) would be established (see Figure 4). Later, after the EPAAPC is operational the community, particularly the residents of Belle Haven, could determine if they wanted to initiate Phase II, the establishment of a joint community planning entity, i.e., an East Bayshore Planning Board (EBPB). The structure and role envisioned for the EBPB is illustrated in Figure 5.

Figure 3 depicts the existing planning process in which the San Mateo County Planning Commission has the legal authority and responsibility for handling all planning matters in East Palo Alto and makes its recommendations directly to the Board of Supervisors. Under this arrangement, the East Palo Alto Municipal Council can advise the County Planning Commission and Board of Supervisors indirectly, but it has no legal authority to resolve planning issues in East Palo Alto.

In Figure 4, the East Palo Alto Municipal Council (EPAMC)/East Palo Alto Area Planning Commission (EPAAPC) assumes all planning functions performed by the County Planning Commission for East Palo Alto. Under the new arrangement, the EPAMC/EPAAC would have legal authority for planning in East Palo Alto, and would make its recommendations directly to the County Board of Supervisors. This arrangement would give East Palo Alto residents a greater voice in determining how their community will develop. This use of a sub-county planning agency does not mean that an area-wide perspective should not be maintained. Clearly, the County Planning Commission should retain major responsibility for county-level planning

planning. However, this approach will simply give to East Palo Alto, pending a resolution of its jurisdictional destiny, the same regulatory authority as surrounding cities which are the beneficiaries of larger tax bases.

FIGURE 3:
EXISTING PLANNING PROCESS

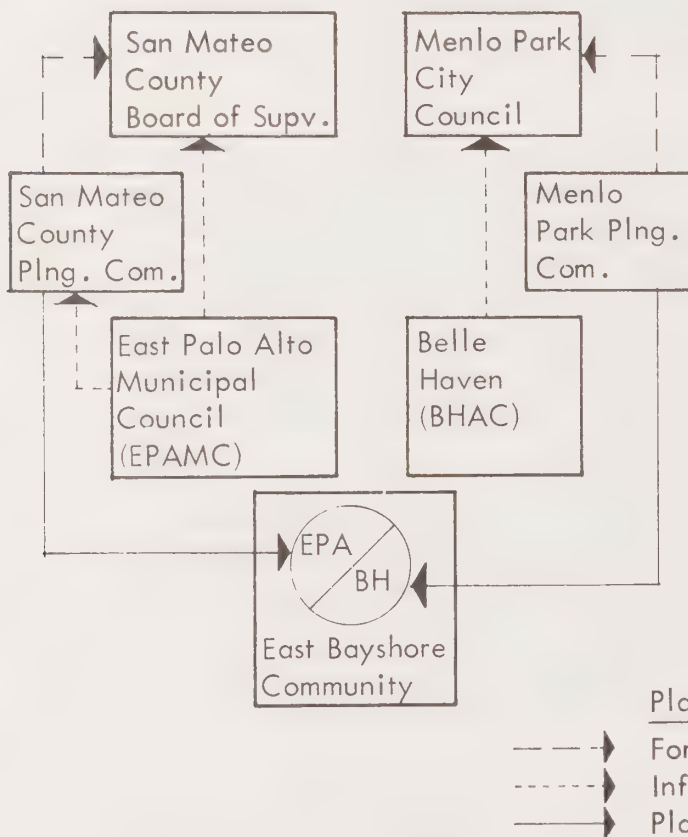
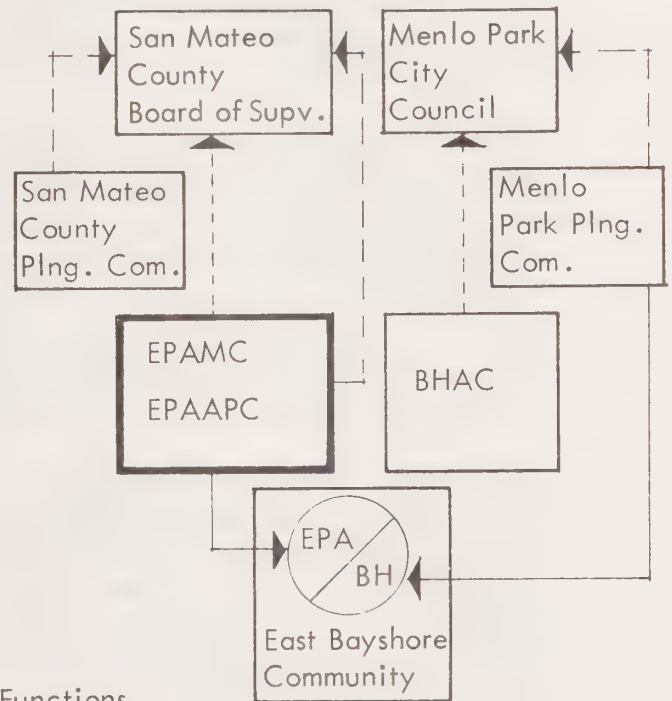


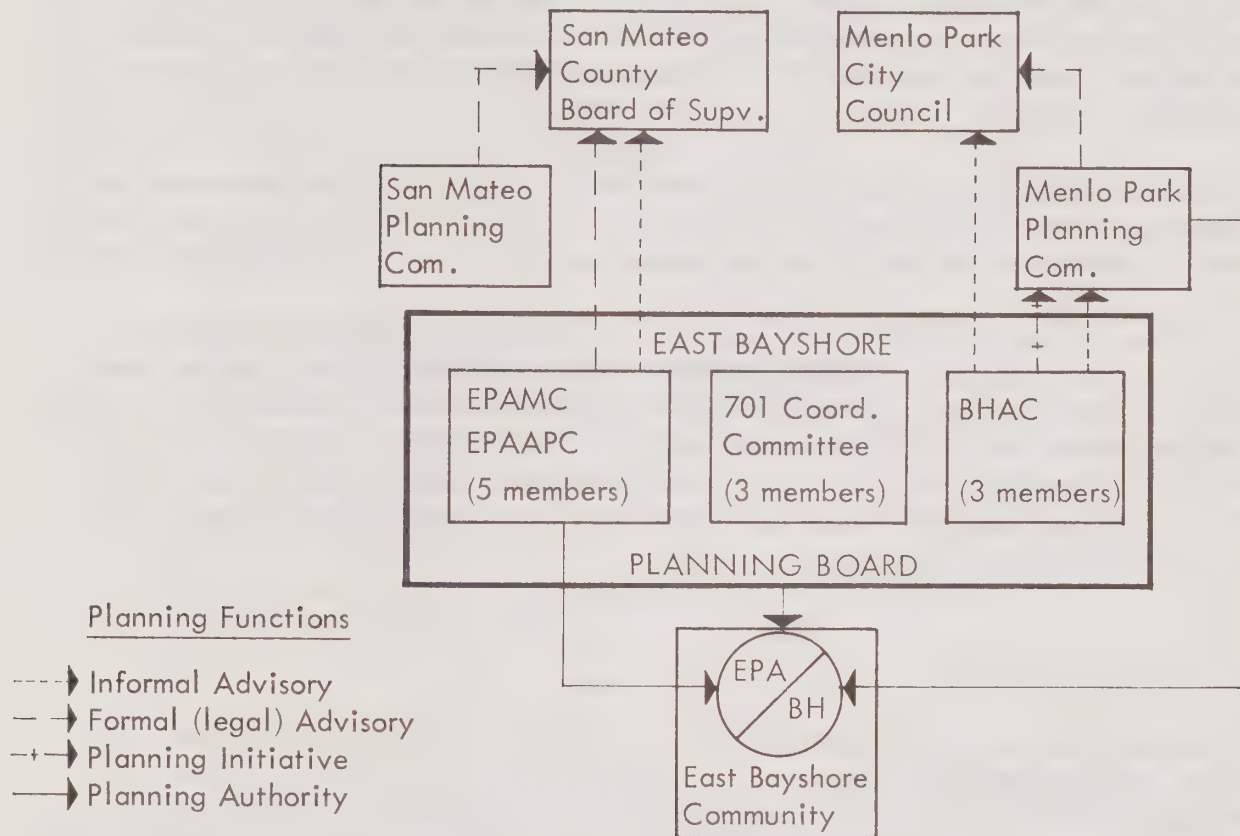
FIGURE 4:
PROPOSED PLANNING PROCESS
(PHASE I)



Phase I

Once the proposed structure has been approved by the East Palo Alto Municipal Council, the San Mateo County Board of Supervisors could designate the Municipal Council as the East Palo Alto Area Planning Commission (EPAAPC). Alternatively, the EPAMC, because of its other time-consuming duties, may wish to designate others for this function, possibly with one EPAMC member acting as liaison. In this way, planning might be given greater attention. The EPAAPC would have full and legal planning powers and would be charged with responsibility for guiding and coordinating all planning and development within East Palo Alto.

FIGURE 5: PRELIMINARY PROPOSAL FOR AN
EAST BAYSHORE PLANNING BOARD PHASE II



Phase II

Once established, the EPAMC/EPAAPC could, with the consent of the City of Menlo Park and San Mateo County, organize a community-wide planning board, possibly called the East Bayshore Planning Board (EBPB). This board would continue the planning activities initiated under the "701" Planning Program, and would assume responsibility for improving inter-community communications between Belle Haven and East Palo Alto as it helped to coordinate and guide planning in East Bayshore. The board could consist of eleven members, the five East Palo Alto Planning Commissioners, three Belle Haven residents (selected by the Belle Haven Advisory Committee and the City of Menlo Park) and three additional community representatives (two from East Palo Alto and one from Belle Haven, preferably former 701 Coordinating Committee members), all to be appointed by the EPAMC/EPAAPC.

In the above diagram, the EBPB will automatically handle all of East Palo Alto's planning matters because of the designation of the EPAAPC on the board. However, Belle Haven Planning would be handled by the Menlo Park City Planning Commission until such time that the community felt it wanted to assume that responsibility. There may be a time lag between the completion of Phase I and the start of Phase II. Therefore during the interim period, the EPAAPC should assume as much of the role proposed for the EBPB as possible.

The entire East Bayshore Board and its East Palo Alto or Belle Haven components could separately initiate and take planning actions on their own. (This is similar in some respects to the Tahoe Regional Planning Agency and its California and Nevada contingents.)

The above structure should help to improve the coordination of planning between East Bayshore and neighboring planning agencies. Especially Menlo Park and San Mateo County if they continue to provide the same level of staff and logistical support for the EBPB as they did for the 701 Coordinating Planning Program. Under this agreement, San Mateo County would assign a full time planner and a part-time zoning administrator to assist the Board and Menlo Park could provide a part-time zoning administrator to cover Belle Haven.

DIVISION OF WORK

All planning matters presented to the EBPB should be designated in one of four categories covering the following areas: 1) East Bayshore (i.e., community-wide); 2) Belle Haven (local); 3) East Palo Alto (local); and 4) county-wide and/or Regional. However, the entire board should review and discuss all planning matters before any recommendations are made. The board also should determine whether specific cases are community-wide or local, for decision purposes. Community and/or county-wide planning issues would be decided by the whole board; local matters would be determined by the respective representatives. The board's official recommendations by majority vote, will be transmitted to the appropriate agencies. If any representative does not concur with the board's recommendations at the outset, they should be able to make separate but unofficial recommendations of their own.

A tentative division of specific planning issues, as community-wide, local, or county-wide and/or regional, is listed below:

Community-wide (East Bayshore):

1. Community-wide recreation
2. Approach routes to the new Dumbarton Bridge
3. Re-evaluation of industrial zoning
4. Preservation of wetlands and shoreline

5. Development of Cooley's Landing
6. Re-routing of through traffic around the community
7. Preservation of major physical features
8. Developing an efficient transit system
9. Relating residential development to public transit
10. Review of revisions to the Policies Plan
11. Community-wide street tree planting
12. Revitalization of the Nairobi Shopping Center
13. Development of the Charles Drew Health Center

Local (East Palo Alto):

1. Street improvements and modifications
2. East Palo Alto Neighborhood Development Program
3. Improvement of industrial uses along Bay Road
4. Confinement of commercial activities along University Avenue
5. Control of local horticulture uses
6. Parks and tot-lot provision
7. Local housing codes
8. Local land use compatibility and public facilities adequacy
9. Condominium housing issues
10. Code enforcement

Local (Belle Haven):

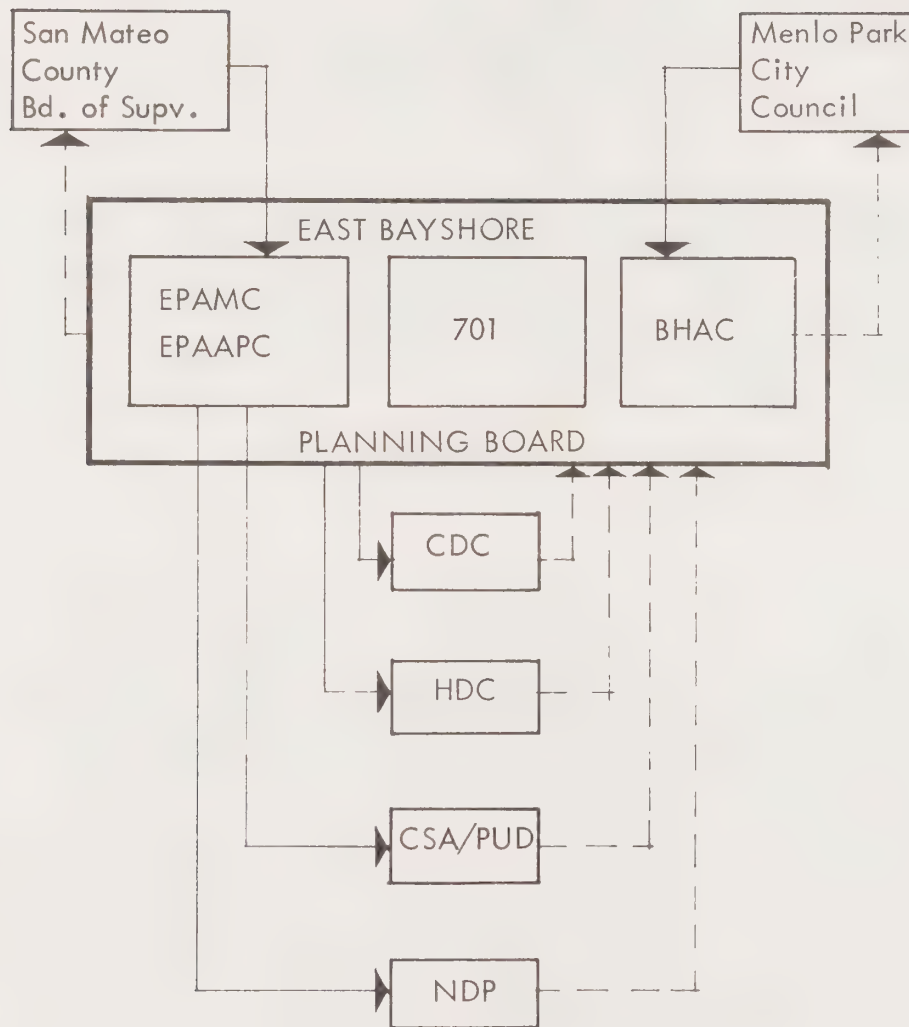
1. Industrial development of the Kavanaugh and Hiller-Fairchild Properties
2. Improvement of businesses along Willow Road
3. Review of land use compatibility and public facilities adequacy
4. Street modifications
5. Northern access road
6. Tot-lot provision

County-wide and/or Regional (East Bayshore):

1. Development of the Dumbarton Bridge
2. The study and/or development of transportation systems
3. Housing programs
4. Recreation and/or open space programs
5. New planning legislation and/or zoning regulations
6. Revenue sharing
7. Psycho-social/health programs
8. Public facilities
9. Education programs

FIGURE 6

ROLE OF THE EAST BAYSHORE
PLANNING BOARD



RELATIONSHIPS

-  Advisory
-  Review and Approval

The EBPB will perform its central role by integrating its plans with those of the community's development oriented bodies, i.e., the Community Development Corporation (CDC), the Housing Development Corporation (HDC); the Public Utility District (PUD) or County Service Area (CSA); and the Neighborhood Development Program (NDP). In this regard, the EBPB should have review and approval powers over development programs proposed within the community. It would act as a "fulcrum" between the San Mateo County Board of Supervisors and/or the Menlo Park City Council and the community's development bodies. The EBPB would advise the latter on development within East Bayshore, as it coordinated and guided the programs of the former. Figure 6 depicts this relationship.

PLANNING AIMS AND STRATEGIES

The lack of planning guidance has been a primary problem confronting East Bayshore, and provided the impetus for this program. As a result of this, the community has developed in a haphazard, uncoordinated manner with poor internal cohesion and little, if any, focus. Additionally, the absence of planning direction has hindered the community's ability to influence planning and development decisions by others on matters of local concern. Their resulting problems have had a significant influence in undermining local pride leading to further decline.

Hence the primary planning aim for the EBPB would be to provide the leadership and expertise to rectify this situation. The EBPB should be responsible for coordinating planning and development and should protect the community's interests in planning issues and programs that impact the area. Accordingly, it should use every means and resource, including land use controls, capital improvements, grant programs, demonstration projects, etc. to control development. The EBPB could assist in the review, revision, and implementation of this Bayshore's Policies Plan, zoning ordinance, subdivision regulations, development standards, and design review, as well as other codes and/or regulations.

There are major strategies that the EBPB should pursue to implement the Policies Plan including the following:

STRATEGY 1 - ADOPT THE INTERIM POLICIES PLAN AS THE COMMUNITY PLAN
AND RECOMMEND THAT OTHER PLANS INCONSISTENT WITH IT
BE REVISED

At the earliest possible date, the EBPB should recommend the East Bayshore Policies Plan as the community-wide general plan. When the plan is adopted, the plan should guide EBPB, the EPAMC, the BHAC, the Menlo Park Planning Commission and the San Mateo County Planning Commission in reaching sound planning decisions affecting the area. By presenting a diagram of East Bayshore's future physical form, the plan can indicate the long-range consequences of each community action. Every decision which affects development should be made only after referring to the Policies Plan, include recommendations on zoning, subdivisions, public facilities, and other development and growth issues. The board also should recommend that neighboring communities make revisions to general plans to make them consistent with the Policies Plan.

STRATEGY 2 - ADOPT COMPREHENSIVE AND CONSISTENT ZONING
APPROACHES FOR EAST BAYSHORE

The board should adopt a zoning plan for the community - one which is consistent with the land use proposals of the policies plan. This may entail the City of Menlo Park and San Mateo County gradually revising their Zoning Ordinances as they relate to East Bayshore so that they (1) use consistent language for zoning definitions; (2) use the same or similar designations for similar zoning districts; and (3) where necessary, create new zoning districts, such as a townhouse zone. A moratorium should be placed on zoning variances and use permits should be restricted within the community until the zoning plan has been adopted. Other municipal codes and regulations, including building and maintenance codes, should be strictly enforced. Additionally, East Palo Alto could be designated a special zoning district within San Mateo County. This might afford the community the opportunity to apply more innovative zoning approaches to some of its problems.

STRATEGY 3 - REVISE LOCATIONAL LAND USE CONTROLS TO IMPLEMENT
THE PLAN

The board should recommend that properties in the community that conflict with the land uses proposed in the Policies Plan be rezoned. Due to the lengthy periods required to amortize non-conforming uses and structures, rezoning should be accomplished as soon as possible.

STRATEGY 4 - REVIEW AND COORDINATE ALL PUBLIC DEVELOPMENT PROPOSALS WITHIN EAST BAYSHORE

The EBPB should participate in policy-making on public development programs which exert an impact on the physical and socio-economic character of East Bayshore. State planning law requires that county, special districts, and all local agencies submit improvement projects and land acquisition and disposition proposals to the planning commission for review. In like manner, all agencies of state government, such as the Division of Highways, should be requested to submit their preliminary thinking on projects to the planning commission for early response. In addition, the Board will work closely with local agencies, including the CDC and HDC in their development programs.

STRATEGY 5 - INITIATE NEW INTERNAL AND EXTERNAL ADMINISTRATIVE ARRANGEMENTS TO FACILITATE PLANNING AND DEVELOPMENT PROGRAMS

The EBPB must study new cooperative arrangements to deal with planning and development issues and actively participate in intergovernmental planning programs. The board must be willing to use innovative administrative approaches which could lead to more effective use of community resources. In addition, the board should initiate, participate in, the framing of programs of community development whether governmental, quasi-public or private.

STRATEGY 6 - OBTAIN NEW RESOURCES TO IMPROVE EAST BAYSHORE

The Board should study and actively participate in the formulation of new local, state or federal legislation which can assist in implementation of policies. All state and federal aid programs should be carefully reviewed in relation to existing and potential needs of East Bayshore.

PLANNING PROGRAMS

General Plan Revisions

The County of San Mateo and the City of Menlo Park should revise their respective general plans so that they conform to the East Bayshore Policies Plan. This recommendation is made because the proposals included herein reflect the most recent thinking on local physical development issues, and also because they are so critical to successful revitalization of East Bayshore. Moreover, all proposals correspond to general County and City of Menlo Park goals and reflect their larger concerns.

The following revisions should be made:

Menlo Park/Belle Haven

1. Redesignate the medium density residential uses proposed for the properties along the north side of Hamilton from Willow Road to Chilco Street so that they will facilitate townhouses as well as low-rise apartments, because this mix is more compatible with the residential character proposed for the community.

San Mateo County/East Palo Alto

1. Redesignate the commercial uses along East Bayshore Road between Willow Road and Euclid Avenue to medium density residential uses. This will help to maintain the community's residential character and prevent the development of scattered commercial facilities.

2. Redesignate the trailer park area along East Bayshore Road and Pulgas Avenue to multiple-family uses, with selected townhouses and low-rise apartments. This will induce more permanent residents in the community and to increase the local tax base.

3. Redesignate the horticultural uses between Pulgas Avenue, East Bayshore Road, Clarke Avenue, and O'Connor Street, to multiple-family uses, with selected townhouse and low-rise apartments. This will improve the community tax base and help control future development.

4. Redesignate the single-family residential uses located between Bay Road, Michigan Avenue, Fordham Street and Demeter Street to multiple-family uses, with selected townhouses and low-rise apartments. This will increase the population density and potential customers in the immediate vicinity of Nairobi Shopping Center.

5. Remove the proposed Bayfront Freeway because the program has been terminated.

6. Remove the proposed freeway that connects the Dumbarton Bridge and the Bayshore Freeway because the proposal has been terminated.

7. Redesignate the highway commercial uses located along East Bayshore Road between Cooley Avenue and Pulgas to multiple-family use with selected townhouses and low-rise apartments to prevent the development of scattered commercial facilities.

8. Redesignate the south side of Bay Road between Clarke and University Avenue, designated for offices and commercial uses, to multiple-family residential uses, with selected townhouse and low-rise apartments. This will help to focus office and com-

mercial development in more appropriate areas while it helps to concentrate potential customers near Nairobi Shopping Center.

9. Redesignate the heavy commercial uses located along Newell Road at West Bayshore Road to multiple-family residential uses. This will help prevent the development of scattered commercial facilities throughout the community.

10 Redesignate the heavy commercial uses located along West Bayshore Road between the County line and Woodland Avenue to multiple family residential uses. This will help prevent the development of scattered commercial facilities throughout the community.

NDP Areas

1. Redesignate the single-family residential uses located between Bay Road, Clarke Avenue, Donahoe Street, and Cooley Avenue, to multiple-family uses, with selected townhouses and low-rise apartments so that residential development will conform to the NDP plan.

2. Redesignate the single-family residential uses located between Weeks Street, Pulgas Avenue, O'Connor and Clarke Avenue, to multiple-family uses, with selected townhouses and low-rise apartments so that residential development will conform to the NDP plan.

3. Redesignate the single-family residential uses located on the south side of Green Street between Pulgas Avenue and the dike, to multiple family uses, with selected townhouses and low-rise apartments so that residential development will conform to the NDP plan.

Zoning Map Changes

The East Bayshore Planning Board should initiate zone changes corresponding to the general plan revisions outlined above, as well as others, as soon as feasible. As a minimum, zone changes should quickly be undertaken for all of the revisions that would change manufacturing (M-2), or commercial (C-2) zones to medium density residential townhouses (R3-PUD) and/or low-rise apartments (R3) zones. These changes are critically important to preserve the residential quality and character of East Bayshore so highly valued by the community.

Zone changes from low-density (single-family detached residential (R-1), agricultural (A-3), and trailer parks (H-1), to medium-density residential, townhouses (R-3 PUD) or low-rise apartments (R-3), need not be given as high a priority, and could await private rezoning requests.

The following specific changes are proposed:

Menlo Park/Belle Haven

1. Rezone the properties zoned for manufacturing (M-2) on the north side of Hamilton between Chilco Street and Willow Road to medium density residential (R3-PUD) to facilitate townhouses and low-rise apartments.
2. Rezone the properties zoned for high density residential (R-4) uses located along Pierce Road from Willow Road to Del Norte Avenue to medium density residential (R-3 PUD) to facilitate townhouses and low-rise apartments.

San Mateo County/East Palo Alto

1. Rezone the commercial properties (C-1) along East Bayshore Road between Willow Road and Euclid Avenue to medium density (R3-PUD) residential uses.
2. Rezone the commercial properties (C-1) along West Bayshore Road at Newell to medium-density (R-3 PUD) residential uses.
3. Rezone the commercial properties (C-1) along West Bayshore Road at Clarke Avenue to medium-density (R-3 PUD) residential uses.
4. Rezone the commercial properties (C-2) bounded by West Bayshore Road, Woodland Avenue, Pulgas Avenue, and the San Mateo-Santa Clara Counties' boundary to medium density (R-3 PUD) residential uses.
5. Rezone the low-density single family detached (R-1) residential properties between University Avenue, Fordham Street, Michigan Avenue and Bay Road to commercial uses (C-1).
6. Redefine industrial zoning (M-1 and M-2) so that it will exclude auto wrecking as a viable land use within East Palo Alto.

NDP Areas

1. Rezone all of low-density, single family detached (R-1) residential properties located between Bay Road, Clarke Avenue, Donahoe Street and Cooley Avenue to medium density residential (R-3 PUD) for townhouses and low-rise apartments.

2. Rezone all of the low-density, single family detached (R-1) residential properties located between Weeks Street, Pulgas Avenue, O'Connor and Clarke Avenue to medium density (R-3 PUD) residential uses.
3. Rezone all of the low-density, single family detached (R-1) residential properties located along the south side of Green Street between Pulgas Avenue and the levee to medium density (R-3 PUD) residential uses.
4. Rezone all of the low-density, single family detached (R-1) properties located on the north side of Weeks Street between Clarke Avenue and the levee to manufacturing (M-2) uses.

PROGRAM SCHEDULE

The following is a listing of the specific kinds of actions and/or programs that should be initiated to accomplish the planning proposals set forth in this section. The list attempts to place each action in sequential order.

1. Establish a local planning commission in East Palo Alto. This function, as described earlier in this section, should be initiated immediately.
2. Assume responsibility for planning matters in East Palo Alto. Once the planning commission is operational it should initiate these functions, which include general plan and zoning matters, immediately.
3. Review and coordinate development programs in East Palo Alto. This function should be initiated immediately after the planning commission is operational and simultaneously with number two above.
4. Adopt the Policies Plan as the official plan for the community. This procedure should be initiated immediately.
5. Establish a community-wide planning board. This function as described earlier in this section should be initiated when the residents of Belle Haven and East Palo Alto think it is appropriate.



EAST BAYSHORE

COMPREHENSIVE PLANNING PROGRAM

SEDWAY/COOKE URBAN PLANNERS AND DESIGNERS
CHESTER McGUIRE · PAYNE-MAXIE · URSA

GENERAL PLAN & ZONING REVISIONS DIAGRAM

LEGEND

REDESIGNATE AND/OR REZONE TO
FACILITATE TOWNHOUSES AND/OR
LOW RISE APARTMENTS
(HIGHEST PRIORITY AREA)

IMPOSE ZONING TO REMOVE AUTO
WRECKING YARDS

REDESIGNATE AND/OR REZONE TO
FACILITATE TOWNHOUSES AND/OR
LOW RISE APARTMENTS

REDESIGNATE AND/OR REZONE TO
MANUFACTURING

REZONE TO COMMERCIAL

RESERVE MARSH LAND FOR PARK
AND RECREATION USES

FIGURE 7

HOUSING DEVELOPMENT PROGRAM

HOUSING AIMS

A successful housing development program must be aimed at realistic and attainable housing targets. It is easy to get caught up in platitudes and to lose sight of what can actually be accomplished in a relatively short period. Hence, it is the purpose of this section to determine, based upon past trends and a projection of the future, appropriate targets for housing development in East Bayshore.

Between 1960 and 1970, East Bayshore exhibited a modest growth of almost fourteen (14) percent. However, that increase in population was not evenly distributed throughout the community. The following table presents growth by census tract. (See Figure 8)

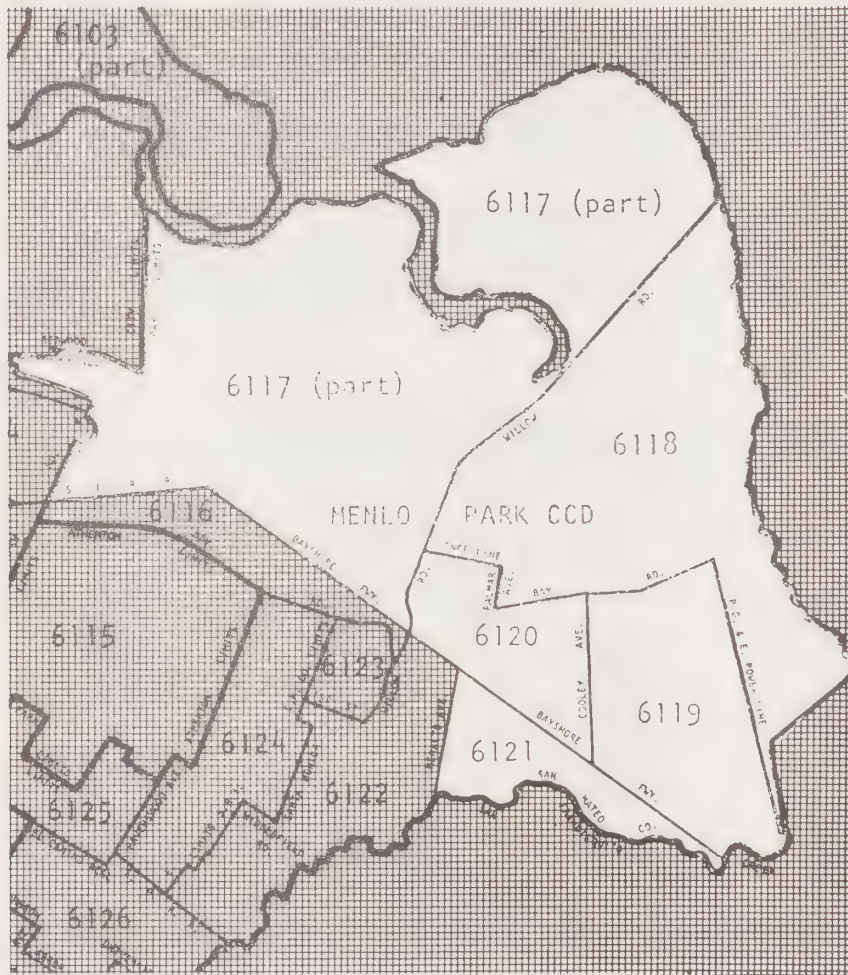
TABLE 4 SELECTED POPULATION CHANGES

Census Tract	1960	1970	Change	Percent Change
6117	4674	4603	-71	-1.5%
6118	3421	3609	188	5.5
6119	6022	6100	78	1.3
6120	4434	5136	702	15.8
	<u>18,551</u>	<u>19,448</u>	<u>897</u>	<u>4.8</u>
6121	1,142	2,992	1850	162.0
	<u>19,693</u>	<u>22,440</u>	<u>2747</u>	<u>13.9</u>

Belle Haven - Census tract 6117 - actually experienced a small decrease in population. The older sections of East Palo Alto, Census Tracts 6118 and 6119, also had very little growth. The only area of significant growth east of the freeway was in Census Tract 6120, which had a rate of growth in excess of fifteen percent.

It can be readily seen that the bulk of the growth occurred in Census Tract 6121, which lies mainly on the west of the freeway. This section experienced a growth of 162% between 1960 and 1970. Examination of Census Tract 6121 reveals that 80% of the new units built in the tract were large apartment buildings. In fact 80% of the units in Census Tract 6121 are renter-occupied.

FIGURE 8
EAST BAYSHORE CENSUS TRACTS



Census Tract 6121 is very different from the remainder of the area. First, it is predominantly multi-family, whereas the rest of the community is in single-family detached houses. It is also a predominantly white area, with only 6.7% of the population being nonwhite. The remainder of East Bayshore is 77% black.

The apartment community in Census Tract 6121 grew within the last ten years as a result of market pressures for moderate-income housing. San Mateo County is one of the most affluent in California, and house values and rents testify to this fact. The recent Housing Element released by the County Planning Commission states that there is an acute shortage in the County of moderately priced housing. The apartments in Census Tract 6121 are a response to that great need. Although the County may be affluent, there are still numerous families needing moderately-priced accommodations, especially young households. Employees and students of Stanford University fit into this category. Many of the households in Census Tract 6121 are affiliated with the University.

When Census Tract 6121 is separated from the rest of East Bayshore, what remains is a small community of primarily single-family detached houses. Although young, (most of the housing was built after WWII), it is a community which has not experienced significant growth in the past decade, and it is not anticipated that it will experience much growth in the future. The reasons for this include the following: (1) a scarcity of buildable sites within the community; (2) a desire to maintain the single-family house as the dominant type of structure; and (3) a general slowing down in the rate of growth of most communities in San Mateo and Santa Clara Counties.

HOUSING DEMAND

Within any community, the demand for housing has three principal components: (1) the increase of new households; (2) the amount of new housing needed to replace sub-standard units; and (3) the amount of housing needed to keep the vacancy rate at an acceptable level. Housing targets selected must be consistent with what is actually the market demand for that housing and also must consider the incomes and tastes of housing consumers.

Within East Bayshore, the demand for new housing based upon new households will be slight. During the past decade, most of East Palo Alto and Belle Haven grew hardly at all. As stated above, the growth occurred in the areas of apartment house construction - Census Tracts 6120 and 6121. There is still a need for more moderately-priced rental units in the area. However, the land suitable for additional multi-family development has been depleted. Therefore, the new household formations in the future will have to be accommodated elsewhere.

Within East Palo Alto there are vacant lots and some tracts of varying sizes on which new housing could be constructed. There are still substantial acreages devoted to agriculture or used as sites for greenhouses and related activities. In

addition, there are auto wrecking yards and other low-intensity industrial uses. These uses require low value land for businesses to be profitable. Certainly, residential use would offer a much higher value for the land. This kind of economic pressure has been the reason that so much agricultural and low-yield industrial land has been converted to residential use. It is quite likely that these same pressures will result in some of this land in East Palo Alto being converted to residential use.

Although large housing tracts will not be built in East Bayshore, because of a lack of very large tracts, some new housing can be built. It would be realistic to think of a modest amount of new housing, largely as a result of the Neighborhood Development Program, being built in the near future. The Redevelopment Agency of East Palo Alto has plans to construct more than 100 new units in its Cypress and Green Street projects. Over the next five years, around 200 units will probably be built. The local market could easily absorb much more housing than that if it were moderately-priced, for which there is a strong demand, especially if it could sell for less than \$25,000. Brokers in the area report no problem in selling low-priced houses. However, because of land constraints within the area, it is unlikely that large numbers of new housing units will be built.

Another important consideration is that the community has expressed a strong preference to remain as one of single-family detached houses. There is some deeply felt discontent with the newer apartment buildings constructed in the area. Limiting future growth to single-family detached houses will assure that not many new units are built, because it is possible through zoning, for the community to greatly restrict building of new multi-family units.

Another significant component of housing demand is for replacement of worn-out housing stock. It is usually considered that replacement demand is composed of the number of substandard units plus the number of overcrowded units. This would represent the number of units which would have to be replaced so that each household would have decent accommodations. Unfortunately, the calculation of the number of units in East Bayshore which are substandard is not easy. This calculation was based on the following statistics:

TABLE 5 SELECTED HOUSING STATISTICS, 1970

	Census Tract				
	6117	6118	6119	6120	6121
Housing units	1348	836	1714	1847	2002
Owner-occupied	693	589	986	794	161
Renter-occupied	584	208	702	962	1607
Vacant	71	39	59	91	234
Lacking in facilities	5	4	19	6	8
Crowded (1.01 per room)	278	240	329	264	48

In 1970, there were only 42 units classified as "lacking in facilities", which would mean substandard. In 1960, the Census used additional classifications (deteriorating and dilapidated) to measure housing quality. However, the 1970 Census did not use census takers who had formerly evaluated the condition of the structure. Therefore, plumbing facilities is the only remaining measure for housing quality. This is inadequate measure for present purposes. For one thing, most of the housing in East Bayshore is of recent origin, and therefore has adequate plumbing, at least in terms of Census classifications. And on the basis of Census classifications, there were only 42 substandard dwellings in 1970. This clearly is far from accurate.

Hence, we cannot accept the Census figures for substandard dwellings. An inspection of the Community leaves the impression that there are certainly more than 42 substandard units, by any definition. A recent survey by the staff of the Federally funded Rodent Control Program indicated that there were more than 100 abandoned vacant buildings. In addition to this, there is an unknown number of occupied houses with serious defects. A very conservative estimate of the number of substandard units, which require extensive rehabilitation or demolition, would be at least 200 such structures in the community.

Another important indicator of the need for housing is the number of crowded units. Crowded units are defined as being more than one person per room living in a unit, a standard commonly used. However, it must be used with caution, because it does not relate to size of units. For instance, five persons living in four very large rooms is judged substandard, whereas five persons living in five tiny rooms is acceptable.

The Census figures show that the actual number of crowded units increased between 1960 and 1970, from 890 to 1,159. This represented an increase of 23% in the number of crowded units while the population increased by only 14%. This seems odd because the Census reports that average household size decreased from 3.53 to 3.37 persons, during this period. This would tend to indicate that the larger families are not finding large enough units for their needs.

The figures for crowding are very difficult to interpret as to their meaning for housing construction and rehabilitation. The existence of crowded housing units implies that there is a need for additional units to be built to relieve overcrowding. There could be built 1,159 new large units, and if those families currently living in crowded units moved into these new units the crowding problem would be solved. From the standpoint of the overall housing market the destiny of the 1,159 units which were vacated is uncertain. They might be absorbed by new household formations or in-migration, but the answer is not clear in East Bayshore.

There is yet another perspective on crowding which must be explored - poverty. The reason that housing units are crowded is probably because the income of the

family will not allow it to consume much space. If this is the situation, then building larger housing units will not surmount the basic problem, which only income policies can address. It is unrealistic to think of housing solutions to the problem of crowding, which in the final analysis is probably an income problem. Unless large amounts of subsidy money can be obtained to build large housing units to relieve the overcrowding, this particular aspect will not play a significant role in housing demand in East Bayshore.

Rehabilitation may be a possible method to be used to relieve some overcrowding. However, the dwelling unit must not only be refurbished, but also expanded. Rehabilitation that does not also expand the number of rooms will not affect overcrowding. For those overcrowded units which are owner-occupied, this seems a possibility. In fact, when families expand, an addition usually is made to the house, assuming that the family has sufficient income to afford it. Here again is another seeming solution that does not assist the low-income family.

In terms of the above analysis, realistic housing targets for both new and rehabilitated housing units over the next five years appear to be as follows:

TABLE 6 HOUSING TARGETS	
Source of Demand	Five Year Target
New Household Growth	200 units
Rehabilitation of Presently Substandard	200 units
Rehabilitation of Units which will become Substandard during period	200 units
Total Target	600 units

This would appear to be a reasonable and realistic projection of housing activity in East Bayshore over the next five years. For new construction, the NDP area will have more than 100 new units constructed. This is a reasonable prospect as long as funding is available. If everything were to proceed as originally planned, the new housing units will be started in 1974 and completed in 1975. It is possible for things to move faster, but the current pace of HUD housing programs indicates that even this estimate is much too optimistic. It is anticipated that more than half of the new construction will be accounted for by the NDP.

The great need in East Bayshore is not so much in construction of new housing units, as it is in rehabilitation and maintenance of the existing stock. At present the estimate is that there are at least 200 single-family houses which require extensive rehabilitation. Many are units which are vacant and apparently undergoing foreclosure proceedings. The experience with the houses which have been foreclosed, rehabilitated and then resold shows that there is a strong market for these properties. If the rehabilitated property has a modest price - in the \$20,000 range - there is no problem selling it.

In addition to the units which are now in obvious need of rehabilitation, there are many more which are deteriorating and will soon become substandard. The housing stock of East Bayshore is at a critical age. It is no longer new housing, and many of the components of the houses seem to need replacement, such as heating plants, roofs and kitchen appliances. To support this contention, one need only examine the age distribution of the housing stock in East Bayshore. The bulk of the housing in Census Tracts 6117, 6118, and 6119, was built in the 1940s and 1950s.

TABLE 7 AGE DISTRIBUTION OF HOUSING

Year built	Census Tracts				
	<u>6117</u>	<u>6118</u>	<u>6119</u>	<u>6120</u>	<u>6121</u>
1965-70	5	13	150	96	507
1960-64	47	37	198	333	720
1950-59	850	688	843	819	551
1940-49	408	87	385	414	166
Before 1940	72	16	171	185	64

Very little of the housing in East Bayshore was built prior to 1940. However between 1940 and 1960, there was a great amount of new construction. During this period, 63% of the existing housing units were built. Now more than 70% of the houses are more than twelve years old. This is not an old housing inventory by any means, because the effective life of a house is at least sixty years. However, as stated previously, the housing stock is at a critical juncture, when it requires increasing maintenance and care. Also, judging from the relatively large number of houses in the community less than twenty years old that need repair and rehabilitation, it can be estimated that at least another 200 such units would need rehabilitation in the near future.

HOUSING ENTITY STRUCTURE AND FUNCTION

Housing Development Corporation

One of the most urgent tasks facing East Bayshore is organizing for local housing development. There are many forms a housing development corporation could take. However, at this point it would seem likely that such an entity would be a non-profit corporation, chartered by the State of California. Since there are several social, as well as economic, aims of such a development corporation, the non-profit role would be most compatible with its overall orientation. Moreover, a profit-motivated corporation brings with it inherent problems relating to distribution of stock equity and profits. Therefore, it is recommended that a housing development corporation (HDC) be established as a non-profit entity.

An HDC could be an independent entity or a subsidiary of another community-based group. If it were totally independent, it would have the freedom to act without consent of a parent group. This could have some advantages, because a parent organization may not always be without disparate objectives. On the other hand, the housing development corporation could be a part of a general community development corporation, and could reflect larger goals. However, this would pre-suppose a viable CDC in existence. An HDC as part of an existing CDC has the advantage of utilizing the existing expertise of CDC management. This would be most important in East Bayshore, because it would not dissipate community leadership.

If separate entities were established for general community developmental activities (by a CDC) and housing (by an HDC), it would require separate and competing managements. It is likely that there would be competition between the two entities for the same pool of community management talent. Each corporation would require a board of directors and a slate of officers. This would consume many man-hours of citizen involvement. Because the talent pool of involved citizens ready to commit the required time (without compensation is already strained, it would be better for consolidations to be made whenever possible.

It should be legally and organizationally possible to consolidate the CDC and HDC functions in the same entity. As long as there were no conflicts in objectives this merger should prove satisfactory. Since both groups would be oriented toward community improvement and economic and social betterment, there is no apparent conflict in goals. The styles of operation also should be compatible.

Therefore it is recommended that the HDC be created as a subsidiary of the CDC. A subsidiary differs from a department or division of the parent organization. By "subsidiary" we refer to an entity (non-profit corporation) which is wholly controlled or owned by the parent organization. The important distinction is that a subsidiary corporation is an entity in its own right. It has its own by-laws, a separate charter, and a separate board of directors. Although it is a separate entity, the subsidiary status is not incompatible with what has been discussed above.

The CDC could assume control of the HDC through a joint board of directors. That is, the CDC board could be the same board of directors as for the HDC. In this manner, the leadership and manpower duplication could be avoided. The same persons could wear different hats as the proper occasion arose.

The initial reason for combining the CDC and HDC functions is to avoid a needless drain on community resources. Another important reason is to assure coordination of economic development activities. It is conceivable that two relatively inexperienced organizations could undertake activities which might be in conflict. For instance, the CDC might wish to build a commercial structure, and

the HDC housing, on the same site. There are other kinds of possible conflicts which could occur relating to housing and other activities. A certain method for minimizing these adverse consequences is to consolidate the two entities, with one as a subordinate of the other. In this case the HDC would be a subsidiary of the CDC, and overall coordination would come from the CDC.

It is also possible to consider conditions under which the HDC could assume an independent existence. Certainly, if the HDC proved to be a viable entity, capable of sustaining itself economically, there is no reason to assume it should always remain a subsidiary. At some point in the future the individual members of the board of directors would probably wish to choose between them for participation. Those primarily interested in housing would no doubt have a desire to concentrate on the HDC, rather than on both the management of CDC and the activities of the HDC. Moreover, once both entities were underway, the problem of manpower will not be as acute. It is most likely that as the CDC and the HDC develop ongoing programs, many more citizens will want to become a part of the management and participatory effort.

It is with this in mind that it is proposed that the HDC be created as a non-profit corporation, with the board of the CDC acting as the concurrent board of the HDC. However, certain provisions should be placed in the articles of the HDC concerning governance. At the end of a specified time period, perhaps two years, the dependency status of the HDC should be reevaluated for a possible separation of the CDC and HDC. If the HDC were viable and had a reasonable chance for success, it might be advisable to spin it off. All that would be required would be changes in the board of directors of the HDC.

There are many possibilities regarding patterns of control of the HDC and its relationship to the CDC. However, they depend upon the HDC becoming a mature entity capable of full self-management. It is important that there be proposed a periodic review of the dependency status of the HDC, and that it be clearly understood at its creation.

A community-based housing development corporation has an immediate problem of providing funds for its own existence. There are the usual overhead and administrative expenses faced by all organizations. In addition to these expenses, an HDC has the problem of obtaining seed money for projects.

As a subsidiary of the CDC, the HDC would be dependent upon the parent CDC for overhead expenses. However, this cannot be passed off easily in this manner, because CDC is also a fledgling and in the same relative economic position. Therefore, immediate attention to overhead and administrative expenses of the HDC would be appropriate. The possible sources of funds for the HDC are from subscriptions from individuals in the community, loans and grants from foundations and busi-

nesses in the area, and various "piggy-backing" methods using existing federal and local urban development programs.

The first-mentioned alternative, that of private subscriptions in the community, is not very promising. If each family were to provide a few dollars, there would be enough to sustain the organization for a year or more; but this is not realistic. First, the most successful efforts of this kind are for religious or fraternal groups, building a church or lodge, where there are strong fraternal ties. Furthermore, East Bayshore is not wealthy, and there are many other more urgent claims to the income of families. Hence, a scheme of general subscriptions, either by stock sales or loans, would not/does not promise success in capitalizing the HDC.

There is some chance that benevolent institutions in the Bay Area might be a source of funds. However, realistically it is also not promising to depend upon philanthropic foundations with many more requests for financial assistance than can be met. Most business firms are in the same position regarding philanthropic activities.

One expedient method for financing some of the developmental and initial overhead expenses of the HDC would be by "piggy-backing" existing federal and local programs. One such initial source is the Office of Minority Business Enterprises of the Department of Commerce. OMBE has an active program for providing technical assistance to minority businesses, to develop viable businesses in minority communities. The technical assistance takes many forms, such as financial counseling and the training of personnel.

It may be possible for the HDC to obtain substantial assistance from OMBE. Several firms in the Bay Area have contracts with OMBE to provide technical assistance. One or more could offer valuable assistance to the HDC, which would in fact include some of the initial overhead. Such piggy-backing could only be temporary, but it may be sufficient to establish the HDC as an entity and provide some early technical backup. Such technical assistance from OMBE could be used to provide specific technical expertise relating to housing.

For the present, the HDC can be managed with volunteers plus some clerical and administrative personnel. The clerical and administrative assistance could come from piggy-backing onto existing agencies and programs, such as the East Palo Alto Municipal Council, the NDP and OMBE technical assistance. It is anticipated that such early administrative requirements will not be extensive.

The HDC will eventually be self-sustaining by making what would ordinarily be profits of a developer or housing consultant. That is, for each project, the HDC would earn enough to pay for its own operation, with possibly a surplus to be used for a variety of related purposes. On an FHA development, there is the possibility of obtaining up to 1 1/2% of the project cost as a consultant's fee. There are

also other possibilities of financial remuneration using other public or private housing programs. For instance, if the HDC developed housing under some programs, it would be entitled to a normal developer's profit.

HDC and Decision-Making Coordination

Decision-making regarding housing is usually widely diffused within a community, with a large number of persons making decisions. There typically is little in the way of coordination among these actors. For instance, there are many property owners who decide whether or not to modernize, banks and the FHA which make lending decisions, building firms and developers, zoning boards, redevelopment agencies, and other public bodies. In East Bayshore there are even more participants, because of the bifurcated government, separate actors making periodic housing decisions, usually independently of each other. In addition to private developers, there is the FHA with its sales and resale programs, the Redevelopment Agency with its Neighborhood Development Program, the FACE program of Belle Haven, and the San Mateo County Planning Department, which controls zoning in East Palo Alto. With so many actors heavily engaged in housing, there is no guarantee that the HDC can carve out a significant role. In one sense, the HDC will be just another entity interested in housing.

It is obvious that if the HDC is to be successful it will have to work in concert with other important housing sector groups. Since the HDC is a private non-governmental entity, it will have no power to control actions of others. It will lack power to affect zoning and building codes; it will be unable to control the private decisions of lenders and property owners; and it will not be able to control the direction of the NDP or FACE program. The HDC must have the support of all these groups to be successful; yet it must acknowledge that it is basically a private corporation that does not have monopoly power over housing in East Bayshore, but must exist harmoniously with other entities.

It will be important that the HDC have a significant input from local real estate professionals. Some method must be found to obtain their professional input and their cooperation. There is a possibility of conflict if the HDC attempts to bypass local professionals in their endeavors. This is an especially sensitive area regarding rehabilitation and resale of existing homes through FHA programs.

In summary, the HDC cannot be granted a monopoly over all housing production and rehabilitation in the East Bayshore. Nor can it be assured of a powerful role in all housing matters in the area. However, since the HDC is conceived of as a broadly-based community organization, it should start out with enormous goodwill within the community, and the many entities, public and private, who are engaged in housing should be willing to cooperate. Yet the HDC will have to stand on its own, and its ability to perform in the housing sector will determine its future.

HOUSING STRATEGIES

A successful housing program in East Bayshore must include not only some new construction but extensive rehabilitation and repair of deteriorated units, and the continued maintenance of the remainder of the housing stock. Success will in turn depend upon the strategies employed; the following are proposed.

STRATEGY 1 - CREATE A LOCAL COMMUNITY-BASED HOUSING DEVELOPMENT ENTITY

In the first phase of the 701 Study, the East Bayshore community indicated its strong desire to create a local housing development corporation. There are many ways in which such an entity may be created; and recommendations are made above. However, after the housing entity is created, it should be used to the fullest extent possible to act as sponsor and developer for housing in the NDP area and to assume leadership in rehabilitation of deteriorated units. Rather than having the housing development function fragmented among numerous competing groups, the local development entity should be mandated as the community's preferred housing developer.

STRATEGY 2 - INCREASE HOMEOWNERSHIP BY ENCOURAGING SALE OF ALL ABSENTEE-OWNED UNITS

Some of the housing problem in East Bayshore is the result of absentee ownership of many housing units. Although the community is characterized by single family homes, which typically implies home ownership, in Census Tracts 6117, 6118, and 6119, which are largely single family, there are 1,494 renter-occupied units, or 38% of the total. Homeownership can be increased by utilizing HUD financing and counseling programs.

STRATEGY 3 - MAKE MORE EFFECTIVE USE OF EXISTING CODE ENFORCEMENT PROCEDURES

Housing codes have been enacted to protect the health and safety of occupants. In East Bayshore, the enforcement of the housing code (Uniform Housing Code) is divided among the County Building Inspection Department, Health Department Planning and (Zoning) Department. The normal initial mechanism of code enforcement is tenant complaint. The County does not have sufficient staff to engage in a continuous monitoring and inspection of the entire housing inventory, where there is a concentrated code enforcement program partly financed by HUD grants. Such a Federally-Assisted Code Enforcement (FACE) Program covers approximately half of Belle Haven. With the NDP program of East Palo Alto, this accounts for less than one fourth of East Bayshore. Hence, more reliance must be placed upon existing mechanisms for code enforcement.

The East Bayshore Community should encourage the enactment of a municipal ordinance requiring mandatory inspections of all residential properties prior to sale. Such an ordinance should specify that the property be in decent and habitable condition before title can be transferred. The inspections could be made by both the staffs of San Mateo County and the City of Menlo Park.

STRATEGY 4 - ENCOURAGE MAXIMUM USE OF REHABILITATION RATHER THAN NEW CONSTRUCTION

Most housing assistance programs are applicable either to new or rehabilitated housing. In the past, most communities have chosen to accentuate clearance and building of new units. However, in East Bayshore the housing stock is young, and the deterioration that exists is derived more from a lack of maintenance than from decrepitude of old age. Therefore, housing programs should be geared toward rehabilitation of the existing stock.

STRATEGY 5 - BUILD NEW HOUSING IN SMALL CLUSTERS AND ON ODD LOTS THROUGHOUT THE COMMUNITY

This strategy is made obvious by the lack of very large tracks suitable for new housing development. However, there are numerous opportunities within the area for construction of new units on vacant lots. There is also the possibility that some small plots in agricultural use could be converted to residential use.

STRATEGY 6 - DEVISE METHODS OF INCREASING THE FLOW OF CAPITAL INTO THE COMMUNITY FOR HOUSING

Hardly any housing scheme will work if there is no money available for financing. All HUD housing programs depend upon availability of private financing, through banks, savings and loan associations, insurance companies and pension funds. HUD merely guarantees the lender against default. In spite of these insurance programs, there is a clear shortage of funds available from the private sector. Other communities faced with similar problems because of lender aversion, have sought innovative ways to increase the involvement of private sources of capital. Because of the strong possibility that HUD housing funds will be curtailed, the importance of attracting private monies becomes even more urgent.

HOUSING PROGRAMS

There are many housing programs which may be used to improve the condition of housing in East Bayshore. They fall within the following general kinds of assistance: (1) new construction; (2) rehabilitation; (3) code enforcement; (4) home ownership counseling; (5) consumer education and assistance; and (6) innovative financing for high risk areas.

New construction assistance is available through various HUD programs, notably Sections 235 and 236. These two programs provide federal subsidies which tend to lower the occupancy costs to both owners and tenants. Both programs are aimed at moderate-income families, those with incomes too high to qualify for public

housing but whose incomes do not permit a wide selection in the private market. The essence of the program is that the federal subsidy reduces the effective interest payment down to one percent. This saving is passed along to tenants in the 236 Program, and to homeowners in the 235 Program. The monthly saving to a tenant or homeowner can amount to as much as \$50 or \$60.

Section 236 housing can be built by both non-profit and limited dividend sponsors. Non-profit sponsors are eligible for loans in the amount of 100 percent of the total development cost, limited dividend sponsors may receive a return of six (6) percent on their invested capital. Limited dividend sponsors must, however, provide ten (10) percent of the development cost as their equity.

The 236 Program can be used to build cooperative housing. Co-ops are multi-family structures, apartment houses or row houses, which are jointly owned by the tenants. Cooperative housing has many advantages over conventional rental housing. The first advantage, from a community standpoint, is that it is a form of homeownership. This is important because the community already has stated its preference to retain the dominance of owner-occupied units. A second advantage is that co-ops can be built in the form of apartment houses or row houses and can save significantly on the cost of construction. This would produce an owner-occupied unit which would sell at a lower price than one produced conventionally.

Public housing can be built using Section 23 of the U.S. Housing Act (as amended by the Housing and Urban Development Act of 1968) which provides for leasing of housing units by a local housing authority. In this case, the local housing authority (LHA) would be the San Mateo County Housing Authority. Under this program, the LHA leases housing from private landlords. The LHA in turn rents the units to poor families in much the same manner as conventional public housing. There is obviously a great need for some low-rent public housing in San Mateo County. However, residents in East Bayshore have expressed a desire that future leased housing be located within other communities, because East Bayshore now has more than 200 such units. Hence, it would not seem likely that Section 23 leasing program would be used on any large scale to build new units.

Conventional financing is available through private lending institutions. Such financing may also include mortgage insurance under HUD 203(b), the unsubsidized housing program for single-family houses. However, East Bayshore would likely be considered a high risk area by conventional lenders.

Rehabilitation assistance is available from several HUD programs. Both the Sections 235 and 236 Programs may be used for rehabilitation of dwellings. In addition the 221(h) Program is especially suited to the rehabilitation of multi-family units by local non-profit sponsors.

There are several rehabilitation assistance programs available for homeowners. First, there is the regular Section 203 HUD-administered program for major home improvements. Any qualified property owners may apply. There is no subsidy attached to this program. It provides for loans up to \$10,000 for a period of 20 years. HUD also administers a program of unsecured loans to homeowners under Title I, National Housing Act. These loans are for home improvements and repair and may be for as much as \$5,000, repayable over seven years.

Two programs are available to resident homeowners in urban renewal or specially-designated code enforcement areas. The HUD Section 312 Program is available to finance rehabilitation of housing. Loans are available on terms of an interest rate of three percent and a payback period of twenty years. Rehabilitation grants are available under Section 115, of the Housing Act of 1949. These grants are available to low-income homeowners. The grants may not exceed \$3,000, and must be used for the kinds of improvements which will bring the housing up to public standards.

When rehabilitation is discussed, the subject of "self-help" housing frequently arises. It is sure to occur to many citizens in East Bayshore. The basic idea behind self-help schemes is to allow the occupant or prospective occupant to invest his own labor, thus building up a "sweat equity". This would have some obvious appeal to low and moderate-income homeowners. However, there are no functioning self-help housing programs in urban areas which are assisted by the federal government. Federally assisted self-help housing programs tend to be rurally oriented. They are frequently found also on Indian reservations.

There are several institutional impediments to self-help programs in urban areas. Perhaps the most severe is the opposition of organized labor and homebuilders to such schemes; such programs are aimed at reducing housing costs by reducing labor charges and builders' profits. Another important consideration is the fact that building houses is a highly technical process which requires considerable skill to complete a structure meeting public standards. In rural areas, the housing standards tend to be much lower than those found in urban areas, especially in cities. This leads to the conclusion that self-help schemes will not be effective programs in improving housing in East Bayshore. Enterprising individuals always have, and perhaps always will, do their own remodeling work, including building additions to their own properties. But attempts to do this on any large and organized basis will require kinds of resources not presently available.

Code enforcement assistance is available through the HUD-administered programs of Urban Renewal (including NDP) and Section 117 of the Housing Act of 1949. There is special assistance given to communities for planning, administration and some public improvements. Recipients of the grants (which cover up to three-fourths of the cost) are able to expand their coverage and enforcement of housing and building codes. The usual city or county does not have the staff periodically to inspect each property. Therefore the enforcement of codes is usually on an ad hoc basis, as responses to specific complaints, usually brought by tenants and neighbors. With the federal assistance, the municipality is able both to inspect and enforce. The FACE (Federally Assisted Code Enforcement) Program in Belle Haven and the code enforcement program in East Palo Alto, are examples of such federally-assisted projects.

Homeowners in such areas are eligible for the Section 312 loans and Section 115 grants. In addition, the staff personnel who administer the programs provide assistance in procuring architectural and building services.

However, code enforcement is a two-edged sword. If the cause of non-compliance is the result of ignorance of the codes or neglect on the part of property owners, the enforcement of codes should lead to improvement of the housing stock. If, on the other hand, the non-compliance is due to the poverty of owners and/or tenants, then enforcement of codes will not produce the desired result, and may indeed produce extreme hardships. This is especially true of the elderly homeowner. In many cases, the Section 115 grant is not sufficient to bring the unit up to code standards. (The maximum grant is only \$3,000.) Rigid enforcement of codes may result in eviction of many poor families, especially since there are long waiting lists for what little public housing exists.

Currently half of Belle Haven is in a concentrated code enforcement area (the boundaries of the FACE program). The NDP area of East Palo Alto covers, at most, one-fifth of that community. Therefore much of the area of the community which could benefit by code enforcement programs is not eligible for the necessary federal assistance.

It is recommended that additional areas of the community be considered for code enforcement areas. Specifically the area of East Palo Alto bounded by Bay Road and Obrien Drive should be considered a high priority area. A survey by the County Building Department in 1969 indicated that within that area of a total of 211 dwellings that 122 were in code violation, and that 18 of them had serious violations. Also the area in East Palo Alto bounded by Bay, Dumbarton, and University Avenues should be given special attention. The same survey as referenced above found that of a total of 454 units in this area, 193 had code violations of which 42 were serious.

Home ownership counseling assistance is available through HUD Section 237. This program provides mortgage insurance for persons who are marginal credit risks, and are ineligible for other financing programs. Applicants receive counseling on debt management and home ownership. HUD also funds volunteer agencies who are responsible for administering the training of applicants. There is no reason that a local non-profit housing group could not qualify as the appropriate training agency. This agency, based in the community, would be funded to carry out the program.

Innovative financing programs are a possibility. Since East Bayshore is a high risk area, in terms of obtaining private finance, some thought should be given to alternative methods of attracting private finance. An example of an extremely innovative program was recently announced for the Mission Model Neighborhood in San Francisco. The Model Cities Program and Crocker Bank have engaged in a program of providing loans to homeowners in the area. The bank has been guaran-

teed against default by a security deposit of \$150,000 furnished by Model Cities. The bank in turn will make 1.5 million dollars available to residents at seven percent interest for home improvements. While it may not be possible to duplicate the Mission-Crocker program, it is an example of what is possible.

PROGRAM SCHEDULE

The following is a listing of the specific kinds of activities and programs which should be initiated. The various activities of the community (or community based housing development entity) should be staged. This outline attempts to place them in a time perspective.

1. Create a local housing development entity. This function should be started immediately. Our recommendations as to the form of this entity are given in a previous section.
2. Assume sponsorship of the Green Street Project. The local housing development entity should become the sponsor of the housing slated for the Green Street Project. If NDP funding continues as anticipated then the housing should begin in 1973 or 1974 and continue for at least one year.
3. Start rehabilitation program on foreclosed and vacant absentee owned houses. Such a program can be done concurrently with the new construction development. This is an activity that can begin shortly after the local housing development entity is created. A rehabilitation program would last for several years.
4. Start homeownership counseling service. This is a function which should be done by the local housing development entity. It should start during the first year.
5. Develop cooperative housing. After completion of the Green Street Project this should be a high priority item.

IMMEDIATE ACTION PROGRAMS

The most immediate opportunity for sponsorship of housing lies in the Green Street Project in the NDP Area. The Project is now in the planning stages, with a land use plan already adopted by the Redevelopment Agency. It is the largest of the projects planned in the NDP Area. The preliminary housing plans call for the building of approximately 110 new units, with the possibility of additional units through rehabilitation. The tentative mix of units is as follows:

GREEN STREET PROJECT

TABLE 8

<u>Kind of Units</u>	<u>Number of Units</u>
Conventional middle income	20
HUD 235 owner-occupied	55
HUD Section 23 leased housing	20
HUD housing for the elderly	10
Miscellaneous units	5

The HDC would have the opportunity to act as the developer of this package. The Redevelopment Agency has expressed a desire and a willingness for a local development group to assume sponsorship; at this time no sponsor has been selected. However, the Agency is apprehensive that an HDC may not be formed in time to participate. Even though actual construction of housing in the Green Street Project is some time away and federal funding has slowed markedly, if a local development group is to participate it should become involved soon. There is an inordinately long time-lag in development of HUD housing programs; the average time for a project, from inception to completion, is at least three years, and probably much longer. But the housing sponsor should begin soon the process of HUD applications for any development. These are long and tedious procedures which should be started soon.

Since housing sponsorship is extremely technical, it should not be taken lightly. Effective sponsorship of a project entails not only filling out applications, but also being involved in the actual construction process and seeing that a project is finished and rented on schedule. In addition some local development groups even assume responsibility for management of projects. These aspects of housing sponsorship require considerable practical expertise. For this reason, many local development groups obtain professional assistance from housing consultants. The drawback of hiring a consultant is that his fee reduces the amount available to the local group for any services it might provide itself. However, it is absolutely essential that professional advice and assistance from those familiar with HUD packaging be obtained, if the sponsor is a novice in housing.

The local development group or HDC will undoubtedly find itself as a novice in the housing field. One or two individual members of it may be quite knowledgeable in some aspects of housing. However, it is too optimistic to imagine that persons sufficiently skilled to the degree required by HUD and private lenders will initially be members of the board. Another important aspect to consider is that the local development group has no "track record", even if skilled housing specialists were to be a part of the initial board of directors. Such a record is very important to HUD and everyone else in the housing industry.

To alleviate the problem of inexperience of the local development group it would seem logical to consider a joint venture between it and an experienced housing sponsor. The Redevelopment Agency has expressed a strong desire that it and HDC should affiliate with a more experienced sponsor for the Green Street Project. In this manner, the record of the local development group could be established while at the same time assuring that the project will be carried forward to an experienced entity. The Mid-Peninsula Urban Coalition has expressed a willingness to joint venture the project with a local development group. The Coalition has an established reputation, having developed several HUD-assisted housing developments for low and moderate-income families, and there are persons on the Coalition with close ties to East Bayshore. Hence, it should be possible to create a joint venture based upon mutual trust and respect.

The Green Street Project offers several development opportunities for a sponsor. The project contains different housing packages. Because of the current "moratorium" on federal housing assistance, funds may not be available for this year.

1. Conventional middle income housing could be financed under HUD 203(b), the basic unsubsidized program without an interest-rate subsidy. This would require normal development and marketing. If the units are part of a tastefully designed total development, they will probably be marketable in East Bayshore, provided that the selling price is not too high (not above \$30,000). The local development group would be entitled to a developer's profit on any sales, if it performed the developer's function, i.e., hiring of the architect, arranging construction financing and the take-out mortgages. These conventional houses could be sold by regular brokers in the area, who would receive a fee for their services. This would represent an excellent opportunity for cooperation between the local development group and the local real estate professionals.

2. HUD 235 housing can be developed by non-profit developers such as the HDC. Ordinarily, the developer, in this case the local development group will obtain a Section 235 reservations from the HUD Area Office. (With the moratorium placed on such subsidies, a letter of intent would be sufficient.) This program, as with the conventional 203(b), will enable cooperation of the local development group and the area's brokers in the selling of the units to prospective homeowners. The brokers would receive a fee for the sale and the local development group would receive a fee for the development activity.

3. HUD Section 23 housing can be built by the local development group and leased to the San Mateo Housing Authority. The lease from the housing authority is sufficient collateral to obtain the financing for the units. There are several options in this kind of development. Section 23 housing is usually built by developers interested in tax-shelter real estate investments. The owners are usually high income taxpayers who invest in Section 23 housing for the tax benefits. The

local development group, being a non-profit corporation, has no need for the tax benefits from depreciation since it is exempt from federal taxes. For this reason it may be beneficial for the EBHDC to affiliate with a profit-motivated developer who is interested in tax shelter benefits. Such investors are usually interested in owning the buildings for only seven to ten years. During these early years, the investors are able to maximize their benefits from accelerated depreciation. Developers such as the National Housing Partnerships plus numerous small local developers are interested in forming associations with non profit housing sponsors. The profit motivated developers will provide the "front money" and necessary expertise for the project. The local development group would control the project jointly with the private outside developer. The project would be turned over to the local development group after an agreed-upon time period. The local development group would also be compensated for its services from the profits on the development.

4. HUD housing for the elderly can be built under the HUD 236 program. This is a rental program as opposed to the 235 home ownership program. However the 236 program does allow for non-profit development and ownership. The local development group can affiliate with a private entity such as the National Housing Partnerships or can develop it exclusively as a non-profit venture.

5. Miscellaneous housing units are socially-oriented group quarters, such as halfway houses for youth and others suffering disorders, addiction, etc. These houses may be operated in various manners, such as by non-profit foundations, local church groups, or under contract with state and local agencies such as medical authorities and correctional authorities. There is some possibility that the HDC could develop this housing. If sound financial packages can be developed for these structures, it could become the developer. Certainly well-endowed church or fraternal organizations, or organizations with guaranteed support from state and local agencies can contract to build or lease such structures in the Green Street Project Area. The local development group could be the developer of these projects, perform all of the development functions, and make the developer's profit.

Rehabilitation offers another possible area of involvement. In the long run, the opportunities for rehabilitation far outweigh the opportunities for new construction. Realistically, there will not be a large amount of new construction in East Bayshore. There is not much vacant land available for new housing, federal funding is curtailed, and the community has indicated its preference for the single-family home.

The bulk of rehabilitation activity in East Bayshore is occurring in the NDP area of East Palo Alto. In both areas federal assistance is given to homeowners who engage in rehabilitation. Section 312 loans and 115 grants are potentially available to qualified homeowners who desire to rehabilitate their properties. Assistance to

homeowners is provided by the Redevelopment Agency Staff in East Palo Alto. For these rehabilitation operations there is no immediate function for an HDC. The transactions are between private parties with government assistance. The government assistance is free and available to homeowners in the designated areas.

Another source of housing rehabilitation in East Bayshore are the many houses foreclosed by the Federal Housing Administration. These 100 or so vacant units are spread throughout the community, cannot be owner-occupied rehabilitations.

It is conceivable that the HDC could be involved as a developer in rehabilitation of houses which are foreclosed. When houses are foreclosed, either by FHA or private lenders, the structures are extensively rehabilitated and resold. The market for these resales seems to be quite strong. Recent conversations with realtors active in the area indicate that there are uniformly several bids per house when they are rehabilitated and put up for resale. As long as the unit has a modest price, less than \$22,000, there is no trouble in obtaining qualified buyers. Housing pressure emanates from San Francisco and Oakland among the black population, because housing in East Bayshore is considerably cheaper. (Families selling their houses in East Bayshore, both black and white, tend to move to Santa Clara County - a southward migration.) The local development group could possibly assume the development role for rehabilitation of the vacant housing stock. It could act as developer in the traditional fashion, that is, it could purchase the housing units, obtain a construction loan, perform the rehabilitation and then resell the units. It would make a profit on the resale to cover developmental expenses. Conceivably, it could work in conjunction with lending institutions that are involved in the foreclosures. These institutions are primarily interested in minimizing their losses, and would welcome assistance of a strong community-based developer. Some accord also could be worked out with the FHA, which has the bulk of the foreclosures. They certainly should be amenable to a sound program put forward by a local developer, especially one with an established reputation.

The local development group could probably obtain the franchise for developing all of the absentee-owned units (which the local development group would obtain) and foreclosed units in the NDP and FACE areas.

The HDC could play an important role in economic development of the community. By playing a development role, it would control selection of professional services, such as architectural, legal, engineering, construction and housing management. It is not anticipated that the HDC would engage directly in these activities; it would hire professionals.

In California many minority architectural firms have been given commissions for large housing developments which have been controlled by local housing sponsors. There are several large projects in Oakland and San Francisco which have been

designed by black architectural firms. These community sponsored housing developments have been a tremendous boom to minority architects, giving them work and visibility and increasing their professional stature, and to some extent lending to local employment and training.

Other significant areas are in legal and management services and project management. Correspondingly, the HDC is in a position to see that minority professionals among the legal profession obtain their share of work.

The largest amount of money which flows through the HDC is in actual construction. Much of the money will go for wages of construction workers; the rest will go for materials. There are two unique opportunities here. First, an affirmative action program will result in many minority workmen. Second, goods and materials may be purchased from minority vendors, who are beginning to go into the building supply business. Goods may also be hauled by minority truckers, and white-owned firms can be persuaded to hire and upgrade minority salesmen and customer representatives. The economic leverage is enormous.

One obvious area of benefit for the community is the use of minority contractors in actual building. The HDC should immediately adopt a policy regarding its own affirmative action concerning the hiring of minority general and sub-contractors. It should set up a reasonable and realistic program for minority entrepreneurship. Any such program should be realistic. The considerable experience over the last four years in use of minority builders in the Bay Area, should be reviewed by the HDC to develop its own Affirmative Action Plan.

Other programs could be considered. Consumer Assistance is a likely area for future activity. It would take the form of counseling homeowners and prospective homeowners on financial matters (such as borrowing for home improvements, refinancing loans, etc.) and in maintenance. Technical advice also could be given. The HDC might be able to contract its services to the Redevelopment Agency building department, HUD and others interested in housing consumer education. There is considerable interest in consumer assistance and education on the part of local, state and federal government. In the future, it is likely that money will be made available for broad programs geared to the housing consumer.

Housing management may offer some opportunities for logical expansion of activities. The HDC has the option of keeping management of the rental units that it builds or giving the management responsibility to a private firm, under contract. It should not get into management unless it feels a strong commitment to do so. There are many pitfalls in the management of rental units and this function should not be taken lightly. However, some strong non-profit sponsors have chosen to manage their own units in order to control them and protect their investment.

Development of Other Community Improvements may offer another set of possible alternative projects for the Local Development Group. Over the next several years, there will be numerous small community improvements such as totlots, recreation areas, community centers and other similar kinds of public works. Some entity will have to take the initiative for their development. It is conceivable that the HDC would undertake some of these developments which do not conflict with the activities of other community-based entities. It could develop small public works under contract with the appropriate public agencies. This would be especially advantageous for those developments related to housing, such as recreation areas and community centers. The Local Development Group will develop considerable expertise in the management of construction projects, and will be one of the more experienced developers in the community. It is only natural that this expertise be put to work on related community projects, even though they may not be housing.

Development of Cooperative Housing is another potential HDC function. The community has already expressed a strong preference for preservation of the predominance of the homeowner in the East Bayshore. However, there is a serious land shortage in the area. Hence, in order to meet the housing needs of the present and future population there should be an emphasis on multiple dwellings. A compromise solution could be to create multiple unit structures, either apartments or row houses, as cooperatives. Since cooperatives are owner-occupied dwellings it will not depart from the policy of the community. However, the multiple unit structure will lower the costs of construction and make more housing available to moderate income families. HUD programs under Sections 235, 236 and 212, (when available) offer liberal financing terms for cooperatives. Organization in the Bay Area such as the Foundation for Cooperative Housing and the MOD Foundation, specialize in assisting non-profit sponsors in production of cooperative housing.

Housing Allowance Subsidies may replace many of the more traditional housing programs in years to come. The present national administration is experimenting with various housing allowance schemes to take the place of the interest rate subsidy programs and public housing. These schemes would give purchasing power directly to poor families rather than subsidies directly to landlords. An eligible family would receive cash or chits (like food stamps) to purchase housing in the open market. These schemes are a kind of rent supplement program which makes up the difference between what a family can afford to pay and the market rent. An HDC may be able to play some role in a system of housing allowances. Even under such allowances, some housing will have to be built, rehabilitated and maintained. A viable local HDC should be able to continue operation under a system of housing allowances.

ECONOMIC DEVELOPMENT

TARGETS

East Bayshore is primarily a bedroom community which "rests" some workers of surrounding commercial and industrial areas. Yet, the "outside" is currently not fully demanding the range of skills which this community possesses. The net result is unemployment and a relatively small cut of the "economic pie" of the area. In recognition of this fact, the community has made economic development a central focus of its planning effort.

The two main priorities are jobs and business development. To bring into focus the underlying targets of community development, as the basic problem is simply one of transference - the community must go outside itself to work and to spend. In doing so, it does for outside communities the things it should do for itself, namely, generate income for its residents. Citizens' accumulated capital should be invested in commercial and industrial ventures inside and outside the community. However, in East Bayshore, because of citizens' backgrounds and economic factors (i.e., many low-income ethnic minorities), there is not such capital. In its absence, start-up monies must be borrowed. Many business ventures cannot be priced competitively if they must bear the additional cost of debt service, interest, etc.

Thus, the overall objective of community development must be creation of capital to generate a commercial and industrial base which, in turn, creates jobs. The recommended general approach to achieve this is to assure a vital and effective Community Development Corporation (CDC).

The purpose of setting targets is to put into an operational framework the community's objectives.

The range in which targets are set must respect the objective, but should be realistic. It is also essential that the bodies which are to strive for them must play a key role in defining targets. Hence, these targets are a tentative expression to be reviewed, refined, and revised by the boards and management personnel of the operative entities.

Jobs

With respect to job development, there are three East Bayshore populations with unique problems. First, there are those who are a part of the 8.7% unemployed labor force; secondly, there are those who are working, but are underemployed; and finally, there are those who are working, but because of continuous changes in job demands, need to have their skills upgraded for their current job classifications.

The targets for these groups might be expressed as follows:

The Unemployed Labor Force

To bring the current level of unemployment to a full employment level, considerable planning and program development must occur. At all times, a focus must be maintained on the unemployed labor force in East Bayshore of 8.7%, and the skills that are available in it and that can be developed with relative ease.

Eighty-three percent (83%) of the classifiable unemployed have service skills at the craftsman or lower levels of skills. Any economic development plan must deal with that "given", and consider the alternatives available for absorption of those unemployed. Ten percent (10%) of the unemployed have professional, technical or managerial skills, three percent (3%) have sales skills, and three (3%) have a clerical employment history.

A precise evaluation and inventory must be made of the unemployed 8.7% of labor force. Within the general classes of skills stated above, a more descriptive analysis must be made of the "usable" skills of the unemployed. For example, within sales of a class, it is useful to know whether the sales skills are within an industry beyond the feasible limits of job development. If East Bayshore has unemployed technical sales skills, then the range of considerations for those unemployed must cover: 1) location of employment opportunities outside; 2) indirect creation of employment opportunities outside; or 3) recycling or retraining of those unemployed for placement within the community. Development of parameters of a job development program covering a very broad range of skills cannot be an immediate target of the CDC. For instance, given the constraints of time, staff, funding, etc., it is beyond the immediate capacity of the CDC to develop a market for technical salesmen locally.

The Underemployed Labor Force.

To provide counseling and training to those who are, in an income sense, not providing an adequate living for themselves because of underemployment in order to make them employable in a more meaningful (income-wise) sense should be a second major target. The distribution of employed skills and the available unemployed skills in the East Bayshore is skewed toward clerical service and low-skills classifications, with 83% of the labor force in those classifications. Fifty-seven percent (57%) of the employed and sixty-five percent (65%) of the unemployed are in such classifications as operatives, laborers, and various service workers. As comparisons the State of California has only 33%, San Mateo County 26%, San Jose SMSA 29%, and a community with equivalent population but a predominantly Caucasian population - Antioch - has 39% in such classifications.

The fact that Blacks and other minority groups have gained employment only at the lowest entry levels is common knowledge. Additionally, swift upward progressions by promotion after probationary time-periods or longevity, has not occurred. To some extent current levels of employment can be interpreted as reflecting attained levels of education training. However, the overriding forces of overtly discriminatory economic and racial practices has controlled the lack of dynamic upward mobility to higher levels of labor skills.

As a group, the East Bayshore labor force has a median of 11.6 years completion in school with 46.5% of the group having graduated from high school. Without dealing with a sub-issue of comparative quality of that education and/or comparative depth and degree of learning, the differential between the registered level of educational achievement for the East Bayshore labor force and the non-minority labor force is not as pronounced as the differential in recorded labor skills that are employed. Again using communities of approximately equal size - Antioch, California has a median educational attainment of 12.2 years and a 58% rate of graduation from high school; Bell, California has 11.5 years and 45%, respectively; and South San Francisco has 12.3 years and 64%, respectively. All three of these predominately or exclusively Caucasian communities have about one half of their total labor force (average of 44%) at employed skills lower than that of the craftsman classification, compared to East Bayshore's 83%. This large differential in employed skills exists despite the relatively small comparative differences in educational attainment and in achievement levels for each of the three largely Caucasian communities, compared to East Bayshore.

Upgrade Skills Level of Total Labor Force

To provide counseling and training to those who are currently employed, which will enable them to maintain their current positions as job demands increase and/or enable them to move up their respective job ladders, should be the third major target. East Bayshore, as with most minority communities, has a differential gap in the levels of employed skills, compared to predominantly Caucasian communities. As discussed earlier, that gap is primarily a product of overt discrimination.

Without attempting to deal with the myriad, complex issues of trade unionism, blue collar workers' innate need for economic security and survival, "slave-labor mentalities", etc., it is enough to point out that targets of the CDC must include adequate efforts to upgrade the total profile of skills for East Bayshore. The CDC must plan aggressively to assist the labor force of East Bayshore to participate in the major gains that have been accomplished by minority workers elsewhere. The largest gains, between 1963 and 1970, for Black males were as factory operatives, especially in durable goods manufacturing. Nationwide, about 185,000 new jobs were opened to Black men in durable goods factories. Another 94,000 new jobs were opened in non-durable goods. Fourteen and one-half percent (14.5%) of the

TABLE 9
EAST BAYSHORE COMMUNITY
COMPARATIVE OCCUPATIONAL CLASSES
AS A PERCENT OF TOTAL EMPLOYED

	East Bayshore	San Mateo County	San Jose SMSA	All Blacks in California
Prof., Tech. & Kindred Workers	<u>10.1%</u>	<u>16.6%</u>	<u>23.9%</u>	<u>10.9%</u>
Health	2.2%			
Teachers	2.7%			
Technicians, Exec. Health	1.4%			
Other	3.9%			
Managers & Administrators	<u>2.3%</u>	<u>11.8%</u>	<u>9.2%</u>	<u>3.2%</u>
Salaried	1.6%			
Self-Employed	.7%			
Sales Workers	<u>3.0%</u>	<u>11.1%</u>	<u>7.8%</u>	<u>3.4%</u>
Retail Trade	1.9%			
Clerical & Kindred Workers	<u>16.9%</u>	<u>23.4%</u>	<u>18.2%</u>	<u>20.6%</u>
Craftsmen, Foremen & Kindred	<u>10.4%</u>	<u>12.5%</u>	<u>12.4%</u>	<u>9.8%</u>
Mechanics & Repairmen	1.4%			
Construction Craftsmen	4.6%			
Operatives, Except Transport	<u>14.5%</u>	<u>5.8%</u>	<u>10.4%</u>	<u>14.4%</u>
Durable Goods	7.0%			
Non-Durable	2.3%	2.3%		
Non-Manufacturing	5.2%			
Transport Operations	<u>3.4%</u>	<u>2.4%</u>	<u>2.8%</u>	<u>4.5%</u>
Laborers	<u>6.9%</u>	<u>3.7%</u>	<u>3.4%</u>	<u>7.2%</u>
Construction	2.0%			
Farmers	-	<u>3.7%</u>	<u>.4%</u>	<u>.1%</u>
Farm Laborers	<u>.9%</u> <u>.9%</u>	<u>.1%</u>	<u>.6%</u>	<u>.8%</u>

TABLE 9 continued

	<u>East Bayshore</u>	<u>San Mateo County</u>	<u>San Jose SMSA</u>	<u>All Blacks in California</u>
Service Workers	25.3%	10.8%	10.0%	20.1%
Cleaning and Food		12.5%		
Health Service Workers		7.5%		
Personal Service Workers				
Protective Service Workers				
Private Household Workers	<u>6.3%</u>	<u>1.8%</u>	<u>.9%</u>	<u>5.0%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

SOURCE: 1970 Census Data

East Bayshore labor force now has employment as operatives. Although that percent exceeds the Statewide average for other Black labor forces, East Bayshore and the CDC have a unique opportunity to improve that advantage through an upgrading of lower skills and an absorption of the unemployed labor force. As for the unemployed, twenty-five percent of the labor force in East Bayshore has experience as operatives, and an additional 40% have lesser skills (service workers and laborers) which could be upgraded.

Both the Palo Alto labor market, (including Palo Alto, Menlo Park, Atherton, Los Altos, Mountain View, East Palo Alto and Woodside, and the San Jose labor market, have a disproportionate manufacturing orientation compared to other labor markets such as San Francisco, Oakland, and Richmond. Over twenty-five percent of the markets' industrial activity is in manufacturing, compared to a 10-20% range for the other labor markets. Thus a high potential exists for upgrading in the East Bayshore community and affords the CDC the opportunity to pursue aggressively alternatives designed to upgrade a labor force disproportionately unskilled.

Business Development

The most pressing economic problem in East Bayshore is the amount of purchases occurring outside the community and the resulting inability of that purchasing power to create internal jobs. The "leakage" of income outside the community is documented in the following chart based on a survey of 187 East Bayshore residents.

To view the true effects of this leakage, we must first see where East Bayshore spends its income. Based on a four-person family's average income of \$653 per month, we find the following expenditure pattern:

TABLE 10 EXPENDITURE PATTERN

<u>Item</u>	<u>Percentage</u>
Food	27%
Housing	30%
Transportation	12%
Clothing and Personal Care	13%
Medical Care	6%
Gifts and Contributions	3%
Life Insurance	2%
Other Consumptions	7%
	<u>100%</u>

Source: Poverty Amid Plenty: An American Paradox, November, 1969
President's Commission on Income Maintenance Programs, Page 14.

Using this expenditure pattern and East Bayshore's total income statistic of \$66.2 million, we can identify the following dollar leakages:

TABLE 11
AMOUNT OF EAST BAYSHORE INCOME
EXPENDED ELSEWHERE

<u>Item</u>	<u>% Expenditure</u>	<u>% Purchased Out- side East Bayshore</u>	<u>Estimated Dollar Leakage to Outside Purchases</u>
Food	27%	80%	$.80 \times .27 \times 66.2M = \$14,300,000$
Housing	30%	21% (Est. 50% of 42% Renters)	$.21 \times .30 \times 66.2M = \$4,170,000$
Transportation	12%	(Est. maintenance 20% of total exp.)	$.41 \times .20 \times .12 \times 66.2M$ & $.80 \times .12 \times 66.2M = \$6,620,000$
Clothing & Personal Care	13%	(61%)	$.61 \times .13 \times 66.2M = \$5,250,000$
Medical Care	6%	(72%)	$.72 \times .06 \times 66.2M = \$2,860,000$
All Others	9%	(72%)	$.72 \times .09 \times 66.2M = \$4,470,000$
<u>Total</u>			\$ 37.7 Million Dollars

The above calculations show that markets do exist for ventures which would provide East Bayshore with goods and services now being purchased outside. A general approximation of the employment which could result from a reasonable target of capturing even 50% of the \$33.53 million in retail purchases (housing not being a retail purchase) going out, follows:

$$\frac{\text{Total 5 County Bay Area Retail Sales} - 8.3 \text{ Billion}}{\text{Total 5 County Bay Area Employment} - 1.5 \text{ Million}} = \frac{\$5,125 \text{ of consumption}}{\text{per job}}$$

$$50\% \times 33.53 \text{ million in new consumption dollars} \quad 5,125 = 3,272 \text{ new jobs.}$$

These statistics show that over 6,000 persons are employed on leakage dollars of East Bayshore alone. These jobs could be created only if commerce and industry exist and are controlled or operated by those who have East Bayshore residents' employment in mind. However, it must be realized that many of these jobs would require skills the community does not now possess. The importance of local jobs is that every dollar earned and spent (not saved) is also spent up to six additional times. Thus, local jobs breed many times their value in dollar income in consumer spending locally and thus, more jobs.

In considering additional targets for business development, we must state the related targets to be pursued to achieve program goals. The first is to accumulate the basic elements of a development vehicle. These include the following:

- a. A plan and funds to implement it
- b. Community support (through a program of education)
- c. An active and dedicated board of directors
- d. Linkages to the segments of the developmental environment (particularly economic institutions, i.e., government, banks, etc.), and
- e. Sound management

A second sub-target is to gain access to resources required for economic development, including the following:

- a. Capital (debt and Equity)
- b. Land
- c. Entrepreneurship (businessmen willing to risk time and capital), and
- d. Trained labor (which relates to job development)

A third target is to generate new ventures and ideas around which the element of development can create a sound economic base. The ventures then become themselves specific targets for an economic development program. Specific areas in which ventures should be sought are spelled out in the program section.

A look at progress of the existing CDC to date shows the entity to be at the beginning of its drive toward being operational. This means it must accumulate the basic ingredients of development. It must obtain as much outside help as possible from a combination of sources in drafting its plan with full board participation.

Concurrently, the CDC should obtain the support and involvement (via voting membership in the non-profit corporation), of the community. Charging a nominal fee for membership or soliciting funds from the membership could provide the basic funds for the costs of setting up a communications center. The center would be charged

with the education of the community in the purposes of economic development and also with providing the communications link between the CDC and the outside. This center should have full community participation. As much as possible, the CDC should allow its members to play substantial roles on CDC committees.

The board must work internally at insuring the full support of all board members to the CDC. That is, the board must attend many meetings in full as committees to organize itself and begin operations. While the board is seeking operational funds to buy good management, it must additionally be seeking and making linkages to the political, social and economic environments of the CDC. These two are directly connected and if neglected can seriously hamper their sources of the CDC. Development does not occur in a vacuum.

The business development side of the CDC has the immediate need for a fund-raising effort. It must seek out and find governmental funds to support its first three years of activity and then become self-sufficient. However, between now and then, the board, once incorporated and "plan in hand", can draw on resources which already exist in the San Francisco Bay area to begin work at once. That is, it must go to sources of debt and equity capital, management and technical assistance, and entrepreneurs with the idea in mind of creating business ventures now.

Over the longer run, the board should be writing proposals to find sources for full-blown funding for staff, etc. of the CDC. The CDC, under any operating format is charged with pulling together in this arena the resources of economic development - land, labor, capital, and entrepreneurship.

Funding the CDC will require the following activities:

1. Incorporation.
2. Preparation of a proposal of CDC activities.
3. Meeting with funding agencies to present the proposal.
4. Obtaining support of free staffing resources.
5. Negotiating grants and contracts.
6. Continuous resubmission for renewed funding and final reports.

In order to initiate these activities, the CDC board should set up the following committees with the following missions:

<u>Committee</u>	<u>Function</u>
Organization	To determine how the Board will operate the CDC, including the monitoring of its committees and staff.
Public Relations	To develop materials pertinent to the CDC's contact with its external environment, and maintain liaison with appropriate funding sources.
Grants and Contracts	To review the intake and outflow of all monies via grants and contracts.

As indicated in its efforts to obtain resources for economic development, the CDC must establish continuing relationships with holders of such resources. In overseeing the establishment and maintenance of such relationships, the CDC also should set up a committee for resource development. The committee should be charged with finding the necessary resource base for each venture the CDC seeks to undertake.

The completion of the business venture tasks will require that the CDC board has staff either from resource firms or permanent funding. In conjunction with this and all other ventures, the CDC should form a Venture Review Committee to give final approval to undertakings.

STRATEGIES

Jobs

The following strategies for pursuing job development programs are based primarily on the characteristics of the groups to be served - the unemployed, the underemployed, and the currently employed.

STRATEGY 1 - ESTABLISH JOB-CREATION PROGRAMS

The primary thrust of job-creation programs will be creation of jobs for the unemployed labor force. Secondly, a long-range substrategy must evolve to facilitate the access of the underemployed and the total labor force to higher levels of employed skills which respond to changes in the patterns of labor demand.

STRATEGY 2 - ESTABLISH LABOR SKILLS EVALUATION AND COUNSELING

The CDC will not have direct control over the labor marketplace outside East

Bayshore with respect to access to higher levels of job opportunities. Indirectly, through in-house counseling, the CDC could mount an aggressive program with industry that could provide the kind of jobs facilitating movement of underemployed persons to a higher level. The counseling service would work in conjunction with existing Department of Labor, CAMPS and NAB "Jobs" program staffs to assist in negotiations with industries.

To direct the efforts of the counseling staff, the CDC will have to inventory the employed labor force and determine specific requirements necessary to start the shift of underemployed. The inventory must survey classes of employed skills (e.g., health service worker) to determine: 1) the skill gaps that exist; and 2) the credentials of training and experience that will assist in generation of job opportunities. With such an inventory, which for practical considerations would probably be on a well-selected sample bases rather than of the total labor force, the CDC staff can develop the parameters of program requirements for upgrading each labor class.

The influence which the CDC can exert will be over: 1) that portion of the labor force which is "underemployed", and 2) evaluation of the range of programmatic alternatives for economic development as they relate directly to job creation. A well-designed counseling service will: 1) effectively make underemployed persons aware of the loss burden of such a status; 2) counsel those persons as to how to assess their potential for opportunities at higher levels of employment; and 3) effectively point out the modular elements for an aggressive "search and sell" personal promotional campaign.

STRATEGY 3 - ESTABLISH MANPOWER DEVELOPMENT AND TRAINING

The training and development strategy is obvious for any job development program. The primary purpose will be to train people for jobs which exist or will be developed, either through job development programs or economic development.

It should be a policy of the CDC to facilitate quickly the entry of the unemployed sector of the labor force into the total labor market place, of possible, with a minimum of training. The exception would be, of course, an ongoing lack of sufficient demand for an existing unemployed skill.

STRATEGY 4 - ESTABLISH JOB CREATION AND DEVELOPMENT CRITERIA FOR ECONOMIC DEVELOPMENT EVALUATION

Any economic development programs for East Bayshore should include as evaluative criteria, the creation and development of jobs for the unemployed. Any programs and delivery systems for retail and service centers and/or an industrial base should be carefully reviewed as to how many jobs, and what kind of jobs the strategy, or alternative, will deliver to residents of East Bayshore. The CDC must evaluate the impact of chosen programs, from the range of alternatives, on creation of mobility

for the underemployed. The optimum choice of economic development programs will: 1) maximize creation of jobs in skill areas in order to absorb the local unemployed labor force; 2) provide higher skill opportunities for the underemployed; and 3) have a long-range potential for generally improving the skills base of East Bayshore. The criterion of "what kind of jobs?" will serve as a long-range planning guide for manpower training programs in order that the CDC can provide the needed skills from within the East Bayshore Labor Force.

STRATEGY 5 - TO REQUIRE PUBLIC EMPLOYEES RESIDE IN THE COMMUNITY

The benefits from a policy of resident employment are obvious. Jobs which presently are filled by non-resident commuters would be turned over to residents, thus improving the employment situation. The magnitude of this benefit hinges on the number of public employees the area can absorb. A second benefit is the assumption that resident public servants would be more attuned to the needs of the community and would therefore be better able to serve them.

Yet there is no assurance that present non-resident employees would not relocate to East Bayshore to qualify for employment. Such a situation would serve to encourage residency but might do little in the way of alleviating the plight of the community (except perhaps to raise the income level and job level). A second and perhaps greater burden is the possible stagnation of public services. Highland Park, Michigan had a similar requirement, and since it did not afford a pleasant environment, it could not recruit persons of skill to locate in the community. Over a period of time, such a requirement might kill innovation and excellence in public service.

STRATEGY 6 - SOLICITE ADEQUATE FUNDING

To the extent possible, governmental funds should be sought to staff and pay the expenses of job development programs during the first three years. After that period, the profits from ventures in which the CDC has an interest should be employed. Five years out, the CDC should be funding the total effort. The funding sources must be adequate to provide job development programs which will: 1) provide an intensive analysis of the need within East Bayshore and any requisite outreach; and 2) provide a full range of job development services as dictated by the needs of the target populations. The job development staff should have its own managers, who report to the Executive Director of the CDC.

PROGRAMS

Jobs

Job Development programs have two components: job creation and manpower

training. The CDC should maximize the participation of the East Bayshore labor force in existing federally-funded manpower programs. Most of these programs are directed towards disadvantaged persons unable to obtain entry-level positions, because of skill or experience limitations.

There are numerous programs which range from the Manpower Development and Training Act Programs (the oldest of manpower programs) through individually styled programs designed to affect a specific class within the disadvantaged (e.g., Win-Work Incentive Program of work and training for welfare recipients, and Jobs for Veterans, a high priority manpower development program for Vietnam-veterans.)

Manpower Development Training Act (MDTA) Programs

MDTA covers a broad and comprehensive range of programs. Its primary purpose is to train people for jobs which may exist or can be developed. MDTA can provide basic education, institutional training in the form of classroom instruction, pre-apprenticeship training, on-the-job training (OJT), which takes place on location at the employer's place of business, and coupled training, which combines institutional and on-the-job training. The Department of Labor, through its Manpower Administration, provides supportive services and maintains policies and standards. State Employment Service offices (California Department of Human Resources) are responsible for determination of training needs, selecting and placing participants, providing testing and counseling services, and when needed, providing certain allowances. The Department of Health, Education and Welfare, through its Office of Education, is responsible for the educational and institutional training of the programs.

Eligible for enrollment in MDTA projects are: 1) both youth and adults who are unemployed or underemployed; 2) those whose skills may be becoming, or have become, obsolete due to technological advances or shifts in industry; 3) members of minority groups who may have certain cultural, emotional, social, or other handicaps; and 4) others whose poor education or economic situations makes it difficult for them to develop job skills.

These MDTA programs are particularly suited to facilitate the movement of the unemployed in East Bayshore, who possess labor skills of which there is a surplus in the labor marketplace, into an employed status.

The 8.7% unemployment rate in East Bayshore includes a high percentage of unskilled labor, such as 25% who are service workers, including private households, and 15% who are general laborers, excluding farmworkers. Additionally, the relatively heavy manufacturing orientation of the marketplace, which surrounds East Bayshore, has produced an inordinate number of operatives, both employed and unemployed. Eighteen percent (18%) of the employed and twenty-five percent

(25%) of the unemployed are operatives, classified as low-skilled employment.

The very nature of the dynamics which have occurred in the Black labor force generally, as well as in East Bayshore, can provide an employment bottleneck or labor surplus without the benefits of adequate long-range planning and coordination of MDTA training programs. The gains of the Black labor force in the labor market-place, have been in the lower skills levels of operatives particularly, and to a lesser degree those of craftsman and clerical skills. A lot of these gains have apparently been short-lived during the course of training and/or apprenticeship programs in the form of OJT, because East Bayshore has a "pile-up" of 43% of the unemployed who fall into the craftsman (18%) and operatives (25%) skill classes.

As a policy, the CDC should not view the MDTA programs as a vehicle for job development, but for a custodian period for the purpose of recycling skills. Most training programs which are OJT in design, do not have long-term employment commitments. A recent study in Public Welfare, "The Effectiveness of Manpower Training Programs: A Review of Research on the Impact on the Poor," November 20, 1972, by the Joint Economic Committee of the Congress of the United States, states that "Disadvantaged and low-income persons have responded to training and have become more self-sustaining. In a less competitive world, encumbered with institutional restrictions, placement in the private sector becomes more doubtful, and a supporting program of public employment may prove necessary."

An aggressive job development program, through economic development and other means, must be the primary thrust of the CDC. MDTA programs as a class must be viewed as a vehicle to prepare persons without the requisite skills, for jobs that exist or will exist in the near future, if funding continues to be available. Currently, East Bayshore has an institutional training class in clerical skills available through the local office of HRD as well as certain OJT commitments for training as operatives. There have been funding problems with the Department of Labor as to certifications for training after January 3, 1973.

Youth Programs: Neighborhood Youth Corps (NYC) and Work Training in Industry (WTI)

Because of the special employment problems of young people, the Department of Labor has specialized programs to deal with their needs. Young people consistently have unemployment rates three times the rate for all other workers. Some youth, especially blacks and those living in urban poverty areas, face even more severe employment problems. Additionally, high "drop-out" rates compound the problem. The Neighborhood Youth Corps (NYC) and Work Training in Industry (WTI) were designed to deal with some of those problems.

NYC is the largest ongoing manpower program administered by the Department of

Labor and is a program of work experience and training for disadvantaged young people to help them stay in school and get ahead. The NYC has three main components: 1) in-school; 2) summer; and 3) out-of-school. For in-school youth, projects provide part-time jobs during the school year. Summer jobs are available to youth enrolled in the in-school projects, as well as many additional thousands. For youth who have dropped out of school, full-time programs of work and training are offered. Eligibility requirements are not stringent for youth under eighteen (18) years.

East Palo Alto is currently benefiting from NYC programs operated through the school system. An effort must be made to: 1) obtain greater degree of control, through the CDC, over the agency assignments and applicants; 2) increase youth participation, through education and the influences of the CDC and other entities; and 3) direct the application of the training program to needs within East Bayshore, such as Public Work, Community Social Services, etc. Long-range benefits to the resident labor force can be gained from the development of an identification within the youth toward the needs and long-range plans of the community. Skilled labor and professionals will eventually be produced from this captive labor element which is in the transitional stages of training.

WTI is a program for training out-of-school unemployed youth in private industry. It differs from other NYC projects in that the youth works as a regular employee for the firm which is giving the training. Also, WTI is more than just training, in that it enrolls only those persons for whom post-training jobs have been tentatively agreed upon by an employer. Its aim is to provide an intermediate step between NYC out-of-school programs and regular unsubsidized employment.

This program can provide East Bayshore with some of the startup funds for local development staffs. Any employer in industry, commerce and government agencies may be eligible, provided they can conduct training in a "demand occupation" and which offer WTI enrollees a reasonable expectation of a job when training has been finished. East Bayshore, through the CDC could use those trainee skills, under supervision of certain levels of employment within various community agencies.

Veterans Programs

There has been an intensive effort made at governmental levels, to place unemployed veterans in jobs or training, and to establish procedures which will provide employment for veterans as the "phase-out" of the war in Vietnam continues. The National Alliance of Businessmen (NAB) has pledged to find 100,000 jobs opportunities in private industry for Vietnam-era Veterans. Additionally, special efforts are being made to: 1) increase training opportunities; 2) require federal contractors and federal agencies to list all their job openings; and 3) increase the effectiveness of public

employment services to veterans, especially to those who have drawn unemployment for more than twelve (12) weeks.

The CDC counselling staff should inform East Bayshore veterans of these programs and assist them in obtaining these services.

Work Incentive Program for Welfare Recipients (WIN)

Pending the enactment of broad welfare reform legislation, all manpower development services for welfare recipients are provided through the WIN program. The major aspects of the program are: 1) pre-referral screening; 2) orientation; 3) basic and vocational education; 4) supportive services (e.g., child care, transportation, etc.); 5) on-the-job training (OJT); and 6) job placement.

Job placements under this program have not reached the expected levels, which reflects the difficulties involved in giving to severely disadvantaged persons, the training and other assistance needed in order to qualify for and retain jobs. Additionally, the provision of adequate child-care services has had the most discernible impact on completion rates and the enrollee's job readiness.

The CDC counselling staff should expand the existing WIN program in East Bayshore in order to allow the welfare recipients an opportunity to begin the process of upward mobility. New tax incentives, under the WIN program, which become effective in Fiscal 1973 for employers of WIN enrollees, should produce a substantial increase in the placement of enrollees. The CDC should begin preparation to maximize the benefits of welfare recipients who are eligible under this program.

Emergency Employment Act (EEA) and Public Employment Program (PEP)

Because private industry cannot provide enough job openings for returning veterans, laid-off workers and young people who are entering the labor market, Congress provided the potential for creation of public service jobs, with the enactment of the Emergency Employment Act. Two factors were to be considered in the allocation of funds: 1) the number of unemployed persons; and 2) the severity of unemployment. Additionally, eligible governmental units are: 1) those cities with populations over 75,000; 2) counties with at least 75,000 people living outside of eligible cities; and 3) states to serve areas that are not eligible.

East Bayshore, via the unincorporated area of East Palo Alto, could obtain funds through the San Mateo County Board of Supervisors, as its administrative agent, for implementation of public services jobs. These jobs could be coordinated with the emerging entities of the joint planning commission and/or a public utilities district for staffing requirements.

National Alliance of Businessmen (NAB) Jobs

The National Alliance of Businessmen organized the resources of private industry to meet the problems of hard-core unemployment in major urban areas. Cooperating employers provide jobs and training to hard-core unemployed workers that the local state employment service office helps to identify and recruit. The Federal government, through contracts which are awarded by the Manpower Administration of the Department of Labor, pays the extra costs of providing the training and special services usually needed by the disadvantaged. This program could be the leverage for the CDC to negotiate with local industry (e.g., Hewlett-Packard, Lockheed, G.M., Varian Associates, Stanford University, etc.) for creation of job opportunities.

The jobs program originates from the NAB offices in San Jose, under the direction of Mr. Charles Lavell. NAB coordinates with the Palo Alto HRD and local industry. Currently, there is not a specific entity within East Bayshore which serves as an aggressive advocate for the needs of that community. If the CDC could assume an advocate role initially, and eventually assume coordination of NAB efforts, benefits to East Bayshore should accrue. One reason that NAB-jobs have not significantly improved any community is because no community advocate has organized a needs statement and manpower development design. That function will be a primary responsibility of the job development staff in order to bring the unemployed of East Bayshore, NAB, and local industry together.

Concentrated Employment Program (CEP)

All of the above specific service programs can be concentrated under the umbrella of a CEP Program. The intent of a CEP is to combine funds and staff efforts that otherwise would be used for separate manpower programs which are fragmented administratively.

There is no one standard method of operation for CEP projects. Plans would be developed by the sponsor - the East Bayshore CDC - to meet local needs, and the "program mix" of on-the-job or classroom training, work experience, orientation, counselling and supportive services would depend upon the characteristics of residents of East Bayshore.

Generally, the following services are fundable:

Outreach and Recruitment: Since many of the hard-core unemployed have given up their search for work, the staff operates on an aggressive outreach basis to solicit recruits.

Orientation: After recruitment, there are about two weeks of orientation which

covers, if necessary, personal appearance, health, job-hunting, employment forms, budgeting and practical information on bus routes and transportation.

Medical, Social and Other Supportive Services: Through contracts with other public and private service agencies, the staff can provide any necessary medical and social support.

Education and Training: Depending on the needs of the recruit, that person can be referred to individualized programs.

Job Referral: CEP staff works closely with local businessmen and labor groups to line up specific job opportunities. When a recruit is ready, a job referral is made.

Follow-Up: Even after a recruit takes a job, the coach or counselor continues to provide back-up assistance to keep the person on the job.

It is recommended that the CDC plan to implement a full service CEP program within the second year of operation. During the first year, the CDC will have attempted to strengthen the existing manpower components described above, and to prepare to assume administrative responsibility from other agencies (e.g., school system now operates NYC program, HRD now operates Veterans Program). After implementation, the CDC staff will be providing a total service in manpower and job development for the East Bayshore community.

Local Residency Requirement

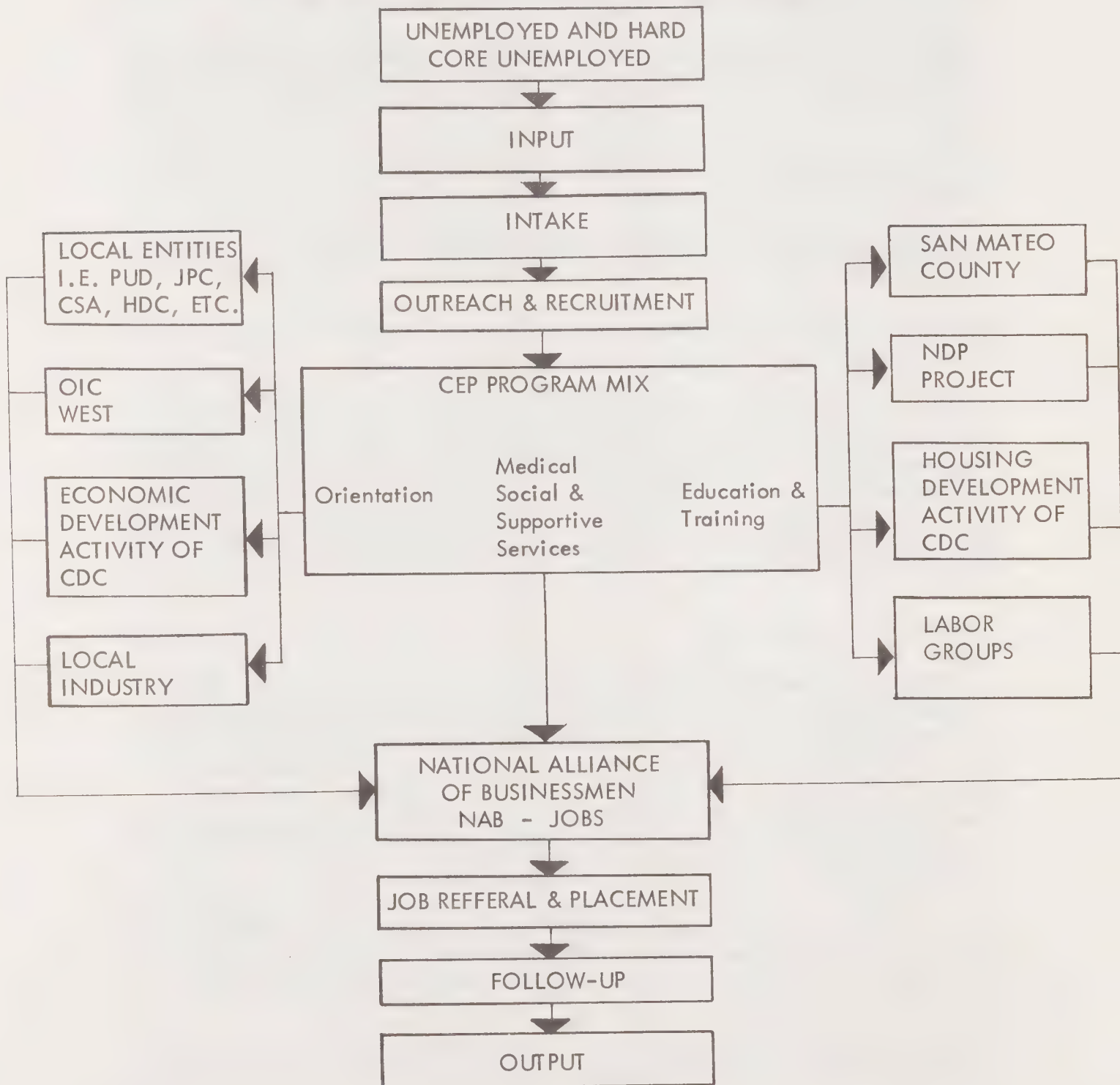
A residency requirement must be based on a defined geographic area and must be adopted by legislative process. Under the present County system, it would be impossible to isolate East Bayshore, since all public programs are administered centrally by the County. If East Palo Alto were to incorporate, then only those purely city functions would fall under the residency requirement, while county agencies would remain immune. However, an assumption of autonomy, similar to that in Berkeley, would allow for an expanded base of City-controlled public service agencies.

The residency requirement idea is a critical one for a community. In Highland Park, Michigan, the requirement was included as part of the City Charter approved by the residents. It is unlikely that such a measure would be adopted by a simple act of the Board of Supervisors.

Local Employment on Police Force

A one-year program aimed at placing young minority group persons in positions in the Criminal Justice System was begun out of the East Palo Alto sub-station of the San

PROPOSED CONCENTRATED EMPLOYMENT PROGRAM (CEP)



Individual Able to Maintain
Employment

FIGURE 9

Mateo County Sheriff's Department in June, 1972. Funded by CCJ (LEAA), the program prepares the 12 cadets enrolled (10 men and 2 women) to enter into any law enforcement agency in the State.

The cadets' time is divided into three areas. One-third of the time is spent in school (one at San Jose State, one at Stanford and ten at Canada College) where cadets are enrolled in law enforcement-oriented classes. One third of the time is spent in on-the-job training in departmental and related police procedures, preparation for later civil service exams, etc. The remaining one third is spent in community work, divided between anti-burglarly activities, community education, etc.

The position known as Community Service Officer (CSO) was envisioned as an entry point into the Sheriff's Department, where a 12 - 15 month apprenticeship program would be instituted to replace the now-defunct cadet program which had no minority participation. The plan was to have the County create a Community Service Officer position funded through the County to replace the present one-year federally-funded program. A budget has been submitted for 1973-74, but, as yet, no word has come either from the County or Civil Service.

The differences between the long range plan and the present program are two-fold. First, under the present program, no written exam was required of applicants. Cadets were drawn from the community. Upon completion of their training, if necessary they will seek employment outside of the district and receive placement assistance from the program. Second, under the proposed arrangement, a competitive exam will be required, the position will be open to all residents in the county, and the CSO will be an apprenticeship entry point into the Deputy Sheriff's position.

In the event that the long range plan is not implemented by the County, the program will die unless second-year funding is secured. A similar, although smaller program is being funded by CCJ in San Bruno, and the project coordinator feels that the State may be unwilling to extend the two programs because they are so close to each other. Direct funding from LEAA in Washington is a remote possibility, but technical assistance in preparation of a proposal would be needed.

If the long-range plan is adopted, the community should be made aware of the changes. As with other youth related employment programs, the success of the present project may encourage other people to apply. If so they should understand the situation.

The centralization of the long-range plan also could be a problem. Presently, the program is run out of the EPA sub-station, and if possible that procedure should be retained. However, it is likely that an equivalent civil service program will be run in the North County. Recognition of the community-oriented thrust of the

program may call for several decentralized units throughout the County. This notion should be pursued. If the long range strategy is not implemented, outside funding should be sought both from CCJ and LEAA. There is a widespread need for such programs in California. The institution of a Statewide training center, with regional and local outlets, may be the best way to insure consistency and excellence.

Local Use of School Teacher Aides from the Community

The Ravenswood Elementary School District has had some form of teacher-aide program since 1966, when ESEA Title I funding began. Presently, there are $74\frac{1}{2}$ Teacher Assistant positions filled - $28\frac{1}{2}$ through Title I, 30 through Follow-Through, 14 through Special Education, and 2 through Bilingual Education. Aside from the Special Education (EH, EMR) aides located throughout the district, the vast majority of teacher assistants are assigned to the four target schools in the District. The distribution is as follows: Brentwood School - 10 (Tit. I); Costano School - 9 (Tit. I); Kavanaugh School - 8 (Tit. I); and Belle Haven - $31\frac{1}{2}$ (F.T. & Tit. I).

The Teacher Assistant position is divided into three steps: 1) Teacher Aide - H.S. or GED required @ \$2.65/hour plus full fringe benefits; 2) Teacher Assistant - H.S. plus 30 units or 2 years experience required @ \$3.00/hour plus full fringe benefits; and 3) Teacher Associate - H.S. plus 60 units (Associated Arts Degree) or 4 years experience required at \$3.49/hour plus full fringe benefits.

The position is classified and all fringe benefits available to district employees are available to T.A.'s. However, salaries are assumed by the federal programs. The number of T.A. positions varies according to the amount of federal funds available.

A recent Master Plan Report to the District Board of Trustees recites the need to identify resources within the community to support the schools. Presumably, such resources would include volunteer assistance to teachers, but no salaries or positions were mentioned.

The major programmatic concern would be to expand the present program with additional funds to include all of the District's schools equally. The primary concern of the District and its funding sources is the education of children rather than provision of employment opportunities.

The autonomy of the School District in the County also presents a problem. The School District formulates its own employment policies apart from the County apparatus. Tax monies flow directly to the District. One method of increasing the money available would be to create a County teacher aide position funded through Civil Service. However, the problems of administrative control, budgeting and inter-departmental red tape appear too great to overcome.

The School District secured six teacher aide positions during 1971-72 through DOL Emergency Employment Act money. Efforts should be launched by the District to lobby for an increased allotment for 1972-73. A similar effort to secure funding from Revenue Sharing monies earmarked to San Mateo County also should begin.

It appears that the District has been successful in tapping a range of Federal programs. However, there are additional programs available to assist it in its community career-development activities. Among these are the Career Opportunities Program (COP) and Educational Professions Development Act (EDPA).

Business Development

Program areas of value to commercial and industrial development of East Bayshore, fall into three basic categories: 1) programs to create an ongoing economic development effort; 2) programs to obtain resources required to launch a venture; and 3) programs to create ventures which will most readily help capture the outflow of dollars from East Bayshore.

ONGOING ECONOMIC DEVELOPMENT. The 701 Planning Program has helped provide the basis for development of the Community Development Corporation (CDC). It has further supported organization of this body, and through this report provides a long term look at what might be done. However, as the planning program nears an end, the process of seeking funds to support the ongoing efforts of the CDC must begin.

The programs which best lend themselves to this include the following:

United States Department of Commerce, Office of Minority Business Enterprise (OMBE)

- Business Development Organizations (BDO's)
- Grants for special projects
- Call contracts

Small Business Administration (SBA)

- 406 Contracts

United States Department of Commerce, Economic Development Administration (EDA)

- Grants for Special or Demonstrative Projects

State of California

The programs noted above have one similarity - their ability to provide economic development staff for the CDC board of directors. The OMBE call contract, SBA and 406 contracts, and current OMBE BDO's all provide an immediate, short-run answer. The programs are operating now, and if tapped, could provide the CDC board of directors with immediate staffing. That is, in lieu of having employees, the CDC could use staff's of these organizations, whose charge is to support such an

effort. They are as follows:

OMBE BDO's

- Plan for Action in Challenging Times (PACT), San Francisco
- San Francisco Local Development Corporation, San Francisco
- Arcada Management, Redwood City

OMBE call contractors

- Payne-Maxie Consultants, San Francisco
- Social Dynamics, Berkeley

SBA 406 contractors

- The bidding process is currently underway, the winner for Northern California to be announced in late January or early February. The firm is to be based in Northern California.

The approach to these firms is to simply obtain one or more commitments for a specific level of support in mandays over a specific period of time. Their services are free.

RESOURCE AND CAPITAL PROGRAMS. The remaining programs represent an opportunity for the CDC Board to obtain funds to obtain and direct its own staff. The OMBE Program is Washington-based, but has a local representative, Jerome Hutton, Department of Commerce, 450 Golden Gate Avenue, San Francisco. OMBE was appropriated 100 million dollars for Fiscal Years 1972 and 1973 to impact minority economic development. Also within the Department of Commerce, the EDA Program has been providing grants to minority economic development efforts with the idea of improving employment opportunities. EDA believes this employment impact will occur as a result of new business being created and by on-going business expansion. This latter program is highly compatible with East Bayshore needs.

The second set of programs are those aimed at accumulating the resources required to launch a new business venture or to shore up an existing one. Those resources, in addition to a marketable product or service, are the land, labor, capital, and entrepreneurship required to get that product and market. These resources are all inputs into the basic equation of business revenues-costs = profits. They also are a basis for producing the product and paying the management that generates revenues.

As we examine the business equation, we see the following:

- a. Profits are generated by keeping revenues above costs; increasing profits call for increasing revenues and/or decreasing costs.

- b. Minority enterprise has low revenues because of lack of resources and markets.
- c. Minority enterprise, because of lack of management control, has not been able to increase profits by controlling and subsequently reducing costs.

Current governmental efforts attack two of the three main aspects of the equation. With respect to the revenues aspect, there are relevant programs such as the following:

SBA's "8(a)" Program
OMBE's Minority Procurement Program
Government Supply Agency's (GSA's) Procurement Set-aside Efforts

SBA's "8(a)" program is aimed at helping minority firms use government procurement to perfect their products and production processes. It grants special opportunities for the minority firm to obtain contracts from governmental agencies in competition only with other minority small businessmen. The process for being certified as an "8(a)" firm is as follows:

1. The firm identifies a procurement opportunity;
2. it contacts the local SBA official: Hal McPherson, SBA, 15th floor, 450 Golden Gate Avenue, San Francisco;
3. the local SBA contacts the agency;
4. the agency tells SBA it's willing to go "8(a)";
5. the SBA and the business negotiate the price of the contract;
6. the agency lets the prime contract to SBA; and
7. the SBA sub-contracts to a minority firm.

The other programs to provide revenues are basically parallel to the "8(a)" program but have different contact points. The OMBE effort is headed by Jerome Hutton at the Department of Commerce, San Francisco office. He basically looks for local opportunities in Northern California with government agencies to go "8(a)", thus acting as a match maker. (i.e., he finds government agency procurement opportunities and matches them with minority firms, in the process facilitating the "8(a)" mechanism.)

On a somewhat similar plane, there is the GSA Small Business Set Aside Effort. This program is one in which certain contracts in a given geographical area are "set aside" for small and small minority firms. These run the full range of support services to government agencies, from autos to lumber to food to rental space. This program is housed at the GSA facility, 50 Fourth Street, San Francisco, with the contact, Michael Snodgrass.

With respect to the cost side of the business equation, it is crucial to have capital to purchase land, labor, and capital equipment required to produce a product.

These resources must be in the appropriate place at the appropriate time. In order to insure this, the firm must have ready cash. There are several programs which can make special debt and equity funds available to minority businessman. They include the following: SBA's EOL loans (debt); SBA's 502 loans (debt); SBA's Guaranteed Loan Program (debt); and Minority Enterprise Small Business Investment Companies (equity).

The SBA programs are controlled at the local level. The regional and local offices are located at 450 Golden Gate Avenue, San Francisco. The EOL and Guaranteed Loan programs work together. If a minority businessman needs funds, he first approaches a bank, regarding a guaranteed loan. This means the bank would provide the businessman with the funds he requires and the SBA would guarantee the bank a 90% payback - much like a cosigner. If three banks deny this guarantee arrangement, the businessman may apply for an EOL loan, i.e. a loan directly from the SBA without bank participation.

SBA's 502 loan program is one under which a three-part financial arrangement is made to facilitate the purchase of real property or equipment. Generally, working capital loans are not available under 502. The split is generally as follows: 10% local development corporation; 45% bank; and 45% SBA.

The entities created out of such loans are generally called local development corporation (LDC's). The LDC's act as the conduit between the bank, SBA funds and the businessman.

Minority Enterprise Small Business Investment Corporations, MESBICS, are groups of private investors who pool venture funds of at least \$150,000. The government then provides leverage to these funds through loans. A MESBIC may not control a firm in which it invests, i.e., it may not buy over 49 percent of the total ownership. However, its investment may exceed the total dollar value of 49% of the company's value.

The above programs, if used in tandem, can supply both the working capital and equipment needs of a business. If used properly they can also minimize debt services.

SPECIAL VENTURE PROGRAMS. Ventures in the community should be focused on those areas of largest leakage. These areas include the following:

1. Food;
2. Transportation;
3. Clothing and Personal Care; and
4. Housing

Food. The most obvious area for initial consideration is that of food purchases. The community now has no major market. Hence the opportunity exists to organize a market and exploit a major local potential.

In attempting to open a market, several factors must be taken into account. Given the fact that the need is present, the following data points to major items of cost:

TABLE 12: MAJOR ITEMS OF COST

Item	Average	
	Amount	Percent
Annual sales	\$2,300,000	100.0
Cost of goods sold	1,851,500	80.5
Gross margin		19.5
Operating Expenses:		
Labor (incl. fringe benefits)	207,000	9.0
Purchased services	36,800	1.6
Promotion & Advertising	23,000	1.0
Rental of premises & Equipment	43,700	1.9
Supplies	20,700	0.9
Taxes, licenses & insurance	32,200	1.4
Utilities	18,400	0.8
Maintenance & Repairs	13,800	0.6
Depreciation & Amortization	20,700	0.9
Total	\$ 461,300	18.1
Operating Profit	\$ 32,200	1.4
Other income (discounts earned, advertising allowances, etc.)	\$ 13,800	0.6
Total income	\$ 46,000	2.0
Capital investment	\$ 150,000	
Return on investment		30.7

The major cost items are the cost of inventory, cost of labor, rented equipment and insurance, taxes and licenses. The operating profits are low, and thus the business will require superb and experienced management.

The residue of the Co-op experience leaves several plus factors. First, the equipment can probably be picked up rent-free with the first year of the shopping center lease. Second, the rent of approximately \$2,700 per month is far below normal. Third, the store has already been laid out physically - counters, etc., and decorated.

One of the most important things that must be done is the development of a strategy to get people to shop there. The Co-op did not accomplish that to the degree it needed to support desired operating levels, but in dollars, it operated at an

annualized multi-million dollar level. If this major hurdle were overcome, the market will be a success.

The approximate capital outlay required is \$150,000 for a new start. With the Co-op's groundwork complete, it should require considerably less, perhaps 50%, or \$75,000 - \$90,000. The payback period is approximately 3 - 4 years.

Location of the market should remain in Nairobi Center. In addition to the cost savings indicated above, this is the shopping hub of the area. Currently, with most purchases being made outside the community, it is virtually dormant, but a major market could revive it. The CDC, as developer of the market, must also assess and tie in development of the proposed government and medical facilities. These developments will increase trips to the area, which will in turn enhance business in the shopping center.

Transportation. An area which requires indepth consideration is transportation. People require a combination of public and private transportation, depending on the load to be carried and its location. The Peninsula's public transportation system is being studied intensively. However, regardless of the findings and proposals, private means of transport, namely, the automobile, will remain dominant.

Automobiles must be purchased, financed, gassed and serviced. Currently, very little of this is being done in East Bayshore. The large transportation dollar leakages for these items indicated previously, suggest a market for some or all of these services.

A program to capture this leakage could include the following ventures: new car dealerships; automotive repair shops; and automobile sales outlets for a number of other dealers.

Automobile manufacturers are currently looking to establish minority dealerships. Almost every company has a staff currently at work on finding minority businessmen who want to go into the business. Once found, they help to finance and assist him in being successful. The minority dealers themselves have set up a national association; the group deals with solution to their common problems. Programs of financing and procurement as discussed in the second set of programs above, e.g., SBA's "8(a)" program, are dovetailing with these efforts. Local governmental auto fleets are a prime market. The investment required is approximately \$150,000.

Repair facilities range from a garage to sophisticated diagnostic centers connected to new car dealerships. It is clear that as long as automobiles are on the road, mishaps and malfunctions will occur. Because of the varied types of cars on the road, specialization on a particular type of car limits the market. Because of the great similarities between cars "running gear", specialization is not required. The keys to this competitive business are cost, reliability, and speed. The market is defined by

the number of cars of each family in the area. In the U.S. there is more than one car per adult. In East Bayshore, there are over 5,000 families. If each has a car and the average car repair bill per year is \$200 the market is \$1,000,000. However, many of these are locked into new car warranties which dictate the place of repair (although such warranties are growing more limited). The major requirement is for skilled mechanics.

Finally, it is possible for a group of individuals to pool their efforts and capital and become a sales outlet for a number of new car dealers. Currently, many leasing companies do this as an adjunct to their other services. The advantage in doing this is that it reduces the capital requirements of being a new car dealer. It additionally expands the market to which one can sell, by handling a number of different cars. The costs would be associated with the following: limited inventory of demonstration models; office and showroom space; staff; insurance; and office supplies. The total investment should not exceed \$75,000 - \$100,000.

Clothing. Currently, there is no comprehensive outlet in the community for sale of clothing. The survey indicated only 39% of the dollars spent on clothing are spent in the area. The type of outlet which would seem to be of greatest potential would be a large chain of the Sears or Macy's variety, or a group of small stores sharing common fixed costs. The former type of store has the advantage of low in-house brand-name prices. However, a cooperative effort of small entrepreneurs in a single large store on a consession basis also could cut the small store's process by cutting fixed costs, such as rent, utilities, accounting, and billing.

This format is used in grocery stores for produce departments not always owned by the same people that own the store. Large stores such as Sears and Macy's often do this with, for example, watch and jewelry departments. The range of items included should at least include the following: men's furnishings; women's furnishings; children's furnishings; cleaning and repair of clothing; sporting goods; gifts of common use to men and women; toy; and watches and jewelry.

Putting together this cooperative type of venture would require central management of common fixed expenses. The CDC could function in such a role to facilitate this multiple joint venture. The CDC also would be responsible for finding the appropriate entrepreneurs and selling them this concept.

Housing. Currently, an estimated \$4.2 million per annum in rental dollars for housing units is being spent outside of East Bayshore. Forty percent of all East Bayshore residents pay rental costs on housing, as opposed to home ownership. The \$4.2 million, which is leaking outside of East Bayshore, represents an obvious venture in housing services, a Housing Development Council or for an economic development component of the CDC. Housing services defined as that range of activities that provide and maintain housing.

OTHER BUSINESS VENTURES. Another area of business development that the CDC should investigate (especially for the future) is manufacturing and/or its related enterprises. East Bayshore contains large areas of vacant and underdeveloped land that is zoned for industrial uses which should become more viable to develop once better vehicular access and adequate utilities are provided.

The Policies Plan encourages the industrial development of most of these properties - 365 acres in all - and the CDC should be an active participant in any such development. The community should benefit substantially if these properties are properly developed to facilitate certain types of industry. For example, it has been estimated that if all of the aforementioned properties are developed to their maximum with labor intensive industries (i.e., industries requiring a large number of employees) that have a high assessed valuation, they will create over 13,000 new jobs and pay over \$1.25 million in tax revenues. On the other hand, if these same properties are developed to their maximum with non-intensive industries (i.e., industries not requiring large numbers of employees) that have a low assessed valuation, only 4,000 new jobs will be created and only \$124,000 will be paid in tax revenues.

Even though the above examples are hypothetical, it is important that the CDC and local residents realize that certain industries can be more beneficial to the community than others and that the most advantageous types should be encouraged to locate in East Bayshore.

Table 13 compares the potential employment, property valuation and tax revenues that might occur from different types of industrial development. Obviously, as shown in this table, the community should benefit the most economically, physically, and possibly socially if the businesses represented in columns one and four are developed to their maximum. These two categories of businesses should generally upgrade local property values and either create more jobs or generate more tax revenues than the other businesses represented in the table. Electrical-aerospace parts manufacturing and food processing are examples of the businesses included in column one, while warehousing and office space for contractors exemplify the types businesses included in column four.

TABLE 13
POTENTIAL EMPLOYMENT, VALUATION, AND TAX REVENUES

VACANT LAND ZONED OR PLANNED FOR INDUSTRY IN ACRES	PLANNING AREA	TYPE OF INDUSTRIAL DEVELOPMENT														
		LABOR INTENSIVE WITH HIGH ASSESSED VALUATION			HALF LABOR INTENSIVE AND HALF NON-INTENSIVE WITH HALF & HALF OF LOW & HIGH ASSESSED VALUATION			LABOR INTENSIVE WITH A LOW ASSESSED VALUATION			NON-INTENSIVE LABOR WITH HIGH ASSESSED VALUATION			NON-INTENSIVE LABOR WITH LOW ASSESSED VALUATION		
		Estimated			Estimated			Estimated			Estimated			Estimated		
		No. of Employees	Assessed Value in \$	Tax Revenues	No. of Employees	Assessed Value in \$	Tax Revenues	No. of Employees	Assessed Value in \$	Tax Revenues	No. of Employees	Assessed Value in \$	Tax Revenues	No. of Employees	Assessed Value in \$	Tax Revenues
BELLE HAVEN	318	11,766	9,989,970	1,206,780	6,360	5,039,298	608,747	11,766	886,266	107,065	3,498	9,989,970	1,206,78	3,498	886,266	107,065
EAST PALO ALTO	47*	1,739	1,476,505	202,133	940	803,748	110,040	1,739	130,489	17,865	517	1,476,505	202,133	517	130,489	17,865
TOTAL EAST BAYSHORE	365	13,505	11,466,475	1,408,913	7,300	5,123,047	718,787	13,505	1,017,255	124,930	4,015	11,466,475	1,408,913	4,015	1,017,255	124,930

Tax revenues are based upon: the 1970 tax rates, of \$12.0810/\$100.00 of assessed value in Menlo Park and \$13.6897/\$100.00 of assessed value in East Palo Alto, and the average of \$5,1415/acre for land with a high assessed value and \$2,787 for land with a low assessed value.

The estimated number of employees was based upon the following rates: 37 employees/acre for intensive labor
20 employees/acre for half intensive and half non-intensive labor
11 employees/acre for non-intensive labor

* Excludes the 232 acres of marshland owned by the City of Palo Alto

It would be a practical consideration, for an HDC and/or CDC to enter a realty venture. Depending upon future estimates of funding requirements for various levels of participation in housing, the venture could be as a sole sponsor, or as a joint venture, under a limited dividend syndicate package, with such realty investors as Bank of America Realty Investors, Coldwell-Banker & Company, Grubb & Ellis, etc. Those joint ventures would provide a source of development and operational capital while the HDC or CDC could serve as the "out-front" promoter and public relations arm of the joint venture. Such a joint venture could relieve the HDC or CDC of a lot of the operational concerns that would exist, as to fund sources, if they were to operate as a sole sponsor.

IMMEDIATE ACTIONS

The following are proposed as the most immediate actions to be undertaken for economic development.

1. Create a CDC Job Development Staff

This staff should initially be one person for purposes of research, evaluation and other investigatory duties, but will grow as the CDC assumes more administrative control over existing manpower development programs. At such time as a CEP Program is launched, the job development staff should be at its peak of 5-10 persons with a manager who reports to the CDC Executive Director.

2. Strengthen Existing Manpower Training Programs

These programs (MDTA Clerical training, NYC, WIN, NAB and Veterans) are administered by other agencies. The CDC should begin acting as intermediate and advocate for East Bayshore and prepare for the assumption of administrative control under the CEP program.

3. Inventory the Needs of the Unemployed, Especially the Hard-Core Unemployed

By means of aggressive outreach, the job development staff should begin to identify, as individuals, those persons who constitute the 8.7% unemployed. This inventory should be complete in the detail of prior training, work experience and other informational as well as an evaluation of the individuals employment potential.

4. Recruit Enrollees for Existing Job Development Programs

As individuals are identified, preparation can be made for enrollment of the recruits in training programs. However, prior to the actual enrollment of recruits into training, the job development staff must coordinate that training with the long range goals of OIC West, the Economic Development Component, the Neighborhood

Development Project (NDP), the Public Utilities District (PUD), the Joint Area Planning Board, the Cooley Landing Marina Project and other existing activities. (See Diagram).

5. Create an East Bayshore NAB - Jobs Contract Program

The CDC staff must open up new employment and OJT opportunities through encouraging more of local industry to participate in the NAB - Jobs Program. This effort will be coordinated with the long range needs of East Bayshore which are developed under Number 4 above.

6. Undertake Necessary Preliminary Study for Business Ventures

The initial activities related to a food venture include the following:

- a. Seek a common cooperative agreement with Counterpart;
- b. Seek competent management;
- c. Develop a sound marketing plan;
- d. Do a thorough financial feasibility study;
- e. Negotiate a firm lease with Counterpart;
- f. Fund the venture;
- g. Contact participants;
- g. Obtain and train labor force;
- i. Establish contact with Co-op and determine inventory;
- j. Management sets for plan for operations;
- and k. Open for business.

In the transportation area, the initial step must be to study the automobiles held by East Bayshore residents, i.e. to determine what they buy and what the current age of those on the street are. From this, the staff can determine the exact direction to pursue with regard to new car sales and repairs. It will also help choose between a single car dealership or a multiple sales outlet. From that point, the staff must find the appropriate resources, make a financial feasibility study, and package the ventures.

The clothing venture will require the same basic approach as the transportation venture. However, it will require a sound negotiating period with the Nairobi Center management regarding a space lease in the Center. Of course, a survey of the buying habits of men, women, and youngsters will be substituted for study of autos. The clothing venture, as the food venture, will also require a substantive marketing plan.

To implement the housing ventures, the CDC should encourage creation of a HDC and provide adequate support.

TABLE 14 FIVE YEAR PROGRAM SCHEDULE

PROGRAM AREA	ACTION YEAR					
	WORK PROGRAM	1 ST	2 ND	3 RD	4 TH	5 TH
ECONOMIC DEVELOPMENT	Funding CDC	→	CONTINUOUS REFUNDING			EFFORT
	Obtaining Venture Resources	→	CONTINUOUS EFFORT TO OBTAIN NEEDS OF VENTURES			
	Food	PLANNING IMPLEMENTATION	EXPANSION			
	Transportation		→			
	Housing	→		EXPANSION		
	Clothing		→	EXPANSION		
	Other New Venture			→		
JOB DEVELOPMENT	Create a CDC Job Development Staff	X				
	Strengthen Existing Manpower Development Programs	X		X		
	Inventory the Needs of the East Bayshore Un-employed	X	6 MOS	X		
	Recruit Enrollees for Jobs Development	X	9 MOS	X		
	Coordinate Training Design with Total Community Development		X	6 MOS	X	
	Create an East Bayshore NAB-Jobs Contract Program		X			X
	Launch a Concentrated Employment Program (CEP)		X			X

PUBLIC SERVICES

TARGETS

One of the major problem areas confronting East Bayshore is the provision of adequate and efficient public services. Many of these services are now inadequate, especially in the East Palo Alto section of the community. Primary among these inadequacies in EPA are road and drainage conditions, recreational facilities and police services. In addition, there is a duplication and lack of coordination among special district services in East Bayshore. These have contributed to a less than desirable image for the community and have been a hindrance to unity of direction, needed for improvement in the community's physical conditions and local political control.

The major role of a consolidated public service entity (see below) whether a County Service Area (CSA) or Public Utility District (PUD) should be to coordinate services in the community and provide a first step in the direction of ultimate local political autonomy. The service entity should take on as much immediate responsibility for public services as is fiscally and politically feasible. It should be viewed as the primary operational and implementing agent of an interim or emerging autonomous government for East Bayshore.

The service entity should work closely with the other three governmental and development entities (EBPB, HDC, CDC and, NDP) and should supplement their functions and powers wherever possible. For instance, the service entity can aid in generation of revenues, development of projects, financing with tax-exempt bonds, use of eminent domain, etc. Specifically, the service entity should be responsible, under the direction of the EPAMC with input from Belle Haven and the EBPB, for at least police, water, sanitation, drainage, recreation and parks, street lighting and other related functions. Where possible, it should also take on any appropriate additional functions which will further the economic, social and physical development of the community. Where the service entity cannot for legal, political or fiscal reasons directly perform public service functions in the community, it should work closely with the other three entities in an advisory role to the City of Menlo Park, the County Board of Supervisors, remaining special districts, the City of Palo Alto and other bodies whose actions affect the East Bayshore community. Additionally, if necessary, it could seek legislative change, where legal authority is an obstacle.

Since the service entity will play such an important role in the development of the community, it is essential that it be controlled as much as possible by the community. As suggested elsewhere, this means that it should act as an implementing arm of the EBPB and be under the direction of elected representatives of the community, i.e. the EPAMC and, as appropriate, representatives of Belle Haven. In the end, it must

be emphasized that the direction and function of a public service entity for East Bayshore, whether a CSA or a PUD, will be critical in the development and improvement of the community as well as in setting the example for any future incorporation.

STRATEGIES

The major strategies to be pursued in improving the level and quality of public services in East Bayshore includes the following:

STRATEGY 1 - CONSOLIDATE THE MANY SPECIAL SERVICE DISTRICTS NOW OPERATING IN EAST BAYSHORE.

As indicated by many throughout the course of this study, one of the major problems for East Bayshore has been the relatively poor level of performance, coordination and management of existing districts. The most glaring lack has been an unresponsiveness to local goals and lack of liaison with related agencies. In many ways, the East Bayshore can be compared to the entire Bay Region, as a microcosm, i.e. many separate agencies in search of overall direction.

STRATEGY 2 - AVOID THE CREATION OF ENTITIES INIMICAL TO THE ULTIMATE OBJECTIVE OF LOCAL AUTONOMY.

Whatever interim method is achieved for other purposes, it must be a cardinal principle that it is solely a means for the ultimate folding-in of several agencies into a general purpose government.

STRATEGY 3 - ENSURE THAT SERVICES PROGRAMS ARE CONDUCTED IN SUCH WAYS THAT THEIR RECIPROCAL IMPACTS ARE BENEFICIAL AND NOT DUPLICATIVE OR INCONSISTENT.

In several cases in the past, various of the services and/or development programs in East Bayshore have not been conducted so that costs of each are reduced and that needless inefficiencies are avoided. Not only should there be coordination between development and development and between service and services, but also between development and services.

STRATEGY 4 - EMPHASIZE SERVICE PROGRAMS THAT EITHER MEET AN OVER-RIDING SOCIAL NEED OR PROVIDE A SIGNIFICANT ECONOMIC ADVANTAGE OR BENEFIT TO EAST BAYSHORE.

So many of the services in East Bayshore need improvement that the most sensible strategy would be to emphasize those which promise significant and early benefits to the quality of life of the area's residents.

STRUCTURE AND FUNCTION

One of the primary goals of the Policies Plan for East Bayshore is consolidation of the multiplicity of special service districts serving the community. Two alternative methods of accomplishing this goal, i.e. a County Service Area or a Public Utility District, are discussed below. Each should be carefully studied by the community before any decision is made on how to solve this problem.

County Service Area

The recommendation was based on the need to eliminate duplication in provision of required public services, as well as for greater efficiency and coordination of these services in East Bayshore. In addition, consolidation would be an important first step in whatever future direction the people of East Bayshore take in terms of local political control and governmental structure.

A three-phased program has evolved for consolidation of the special service districts covering East Bayshore:

- I. Transfer to County Service Area 5 those services which the San Mateo County Board of Supervisors can transfer by unilateral action.
- II. Transfer to the Service Area those services presently under the administration of the Board of Supervisors but which, in order to be transferred, will require special public hearings, adjustment of boundaries, elections or other lengthy processes.
- III. Transfer to the Service Area those services now under the jurisdiction of autonomous agencies or boards of directors, and not subject to control by the County Board of Supervisors.

Since the above three all involve expansion of County Service Area 5 functions, public hearings will be required before the Board of Supervisors.

The services proposed to be included in County Service Area 5 are some of those usually associated with both County and City functions. In addition to extended police services already performed by the Service Area, these functions would include storm drain maintenance, street lighting, water provision, sanitary services and parks and recreation. Specifically, the following special districts or agencies would be dissolved and their functions taken over by County Service Area 5:

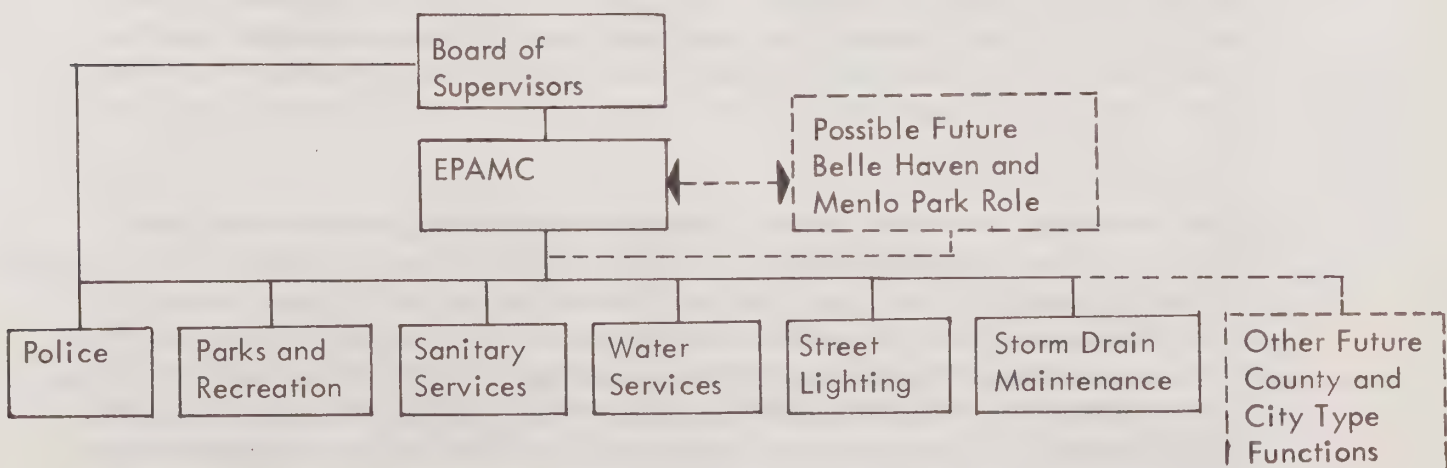
- 1) Palo Alto Gardens and East Palo Alto Drainage Maintenance Districts;
- 2) Ravenswood and North Palo Alto Lighting Districts;
- 3) East Palo Alto County Waterworks District;
- 4) Palo Alto Park and O'Connor Tract Mutual Water Companies;
- 5) East Palo Alto Sanitary District; and
- 6) Ravenswood Park and Recreation District.

The normal governmental structure of a County Service Area is one of an administrative agency of the County, under the direct control of the County Board of Supervisors. However, in order to move towards the objective of strengthened local self-government for East Bayshore, certain innovations in the structure of County Service Area 5 are recommended.

Primarily, these involve methods for delegating specific policy-making and budget-setting powers to local representatives. A movement in this direction has been initiated by the East Palo Alto Municipal Council (EPAMC) in conjunction with County officials, to seek State legislation which would place these powers in the EPAMC, but subject to County veto. Since the existing districts and agencies recommended for consolidation into County Service Area 5 do not significantly involve the Belle Haven area of Menlo Park, the problem of input from this portion of East Bayshore need not be a major concern in the early development of consolidation. However, if in the future there is an effort for greater unification of governmental functions throughout East Bayshore utilizing County Service Area 5, methods will have to be defined for involving the Belle Haven community as well as the City of Menlo Park in control and direction of the agency.

The structure and functions envisioned for County Service Area 5, as outlined above, are illustrated in FIGURE 10.

FIGURE 10: PROPOSED COUNTY SERVICE AREA STRUCTURE AND FUNCTIONS



As the EPAMC gains experience in effectively directing provision of services indicated in FIGURE 10 , the citizens and representatives of Belle Haven, as well as the City officials of Menlo Park, should gain confidence in the benefits which can accrue from consolidation. This increased confidence should in turn create political conditions more favorable for governmental unity between the two section of East Bayshore and increased autonomy for the local community.

The above structure assumes that the consolidated services will provide certain efficiencies of operation and that all present revenue sources will continue (primarily from property taxes, user fees and some direct support from the County in the case of police services). However, the savings from efficiency of operations should enable County Service Area 5 to provide equivalent services with a decrease in property taxes or increased services at present revenue levels.

There are other functions now performed by County agencies or special service districts which have not been recommended for inclusion in County Service Area 5. These are undertaken by small service districts, such as the Ravenseood Slough and San Francisquito Creek Flood Control Zones as well as the East Palo Alto Special Library Services and the improved street maintenance district functions of the County Department of Public Works. There are efficiency and budgetary reasons for not including these functions under the Service Area during initial consolidation.

In addition, various other County functions such as health services (including ambulance), pest and rodent control, refuse collection and various County administrative functions which are suitable for decentralization might also be included under County Service Area 5, but in the future. This is contingent on their ability to meet the legal definition of "miscellaneous extended services" under the law, and if there would be both fiscal and political net benefits to East Bayshore.

In the Intern Policies Plan for East Bayshore, consolidation of special service districts into County Service Area 5 with EPAMC participation, was seen as a step along the way to eventual self-government for the community by incorporation or some "borough" form of city government in conjunction with other communities in southern San Mateo County. However, there is an alternate or parallel route for consolidation which can lead more fully in the direction of self-government - creation of a public utility district for the area.

Public Utility District

There are important similarities and differences between a County Service Area (CSA) and a Public Utility District (PUD) which are significant in meeting the objectives of East Bayshore. In concept and authorization of powers, as described above, the CSA is intended to provide extended County services to an unincorporated area and is purely an instrumentality of the County. In contrast, the PUD is intended to provide an unincorporated area with public works and services which are supported primarily, but not exclusively, from user fees. Moreover, the PUD is an autonomous corporate entity separate from the County; the PUD's powers are generally much closer to those

of a municipal corporation than are the CSA's powers.

The following are the main points of comparison between the CSA and the PUD, as they concern East Bayshore.

All of the powers and activities being considered for consolidation into County Service Area 5, as outlined above, could as well be administered under a single PUD. There is some question as to whether police services could be authorized for the PUD. However, local police protection services might be allowed with a favorable application of the PUD's authority to provide, use and operate buildings for public purposes or to act as contracting agent for the County in providing the services. Similarly, the other functions mentioned earlier which are not now being considered for inclusion in County Service Area 5 (flood control, library services, street improvements and maintenance, rodent control, etc.) could, if financially feasible in the future, be included in the PUD as well as in the CSA.

Both the CSA and PUD can support consolidated functions from user fees and property tax assessments. The CSA is intended to obtain revenues primarily from tax assessments on property within the CSA, but may also collect user fees from appropriate facilities. These facilities do not have to be individually self-sustaining. However, in the case of the PUD, each of the revenue-producing public utilities are supposed to be self-supporting. The nonrevenue producing facilities of the PUD can be funded through taxes on property in the district. An important consideration along these lines is the fact that the County is subsidizing the supplemental police services of County Service Area 5. It may be possible with Board of Supervisors approval to continue this subsidy on an interim basis for a PUD. If not, the present arrangement of only using County Service Area 5 for supplemental police services could be continued while a PUD undertakes consolidation of the other functions. This arrangement could be continued until the County eliminates its subsidy, or until the PUD's economic base is great enough to absorb the amount of the subsidy.

The CSA would probably be able to obtain somewhat better bond financing terms than a PUD. This is so, even though both entities have to primarily rely on their own taxes and user fees. Since the CSA is an instrumentality of the County, the general financial viability of the County is seen as indirectly supporting the bond debt. There are also certain bonds available for use by the CSA which actually carry a direct County guarantee.

Certain facilities and services of a public nature which are not at present included in the consolidation discussion could be part of a PUD, but probably not of a CSA. For example, a cable television system can be constructed, owned and operated by a PUD. The same is not true for a CSA whether or not the County has a charter. (PUDs, like cities, are specifically authorized to undertake communication utilities; counties and their CSAs are not.) Similarly, for example, subject to financial feasibility, the PUD could obtain or provide the electric service to its residents and businesses while the

CSA could only undertake the service for a very limited public use (e.g. street lighting, etc.); the same is true of local transportation.

In a related consideration, the PUD can provide and operate any public building. However, the CSA can only provide and operate public buildings for authorized County functions and services. For example, the PUD could probably act as the vehicle to obtain tax exempt bond financing for the proposed post office (in conjunction with the East Bayshore CDC). However, the CSA probably could not act in this way. Other proposed projects and programs of concern to the East Bayshore CDC, in addition to the ones mentioned above, should also be considered in relation to the CSA and PUD, to determine which one of the two interim governmental forms offers the greatest possibilities, if either is applicable.

Both the CSA and the PUD can extend facilities and services, if desirable and if approved, into an incorporated area such as the Belle Haven section of the City of Menlo Park. While the CSA has greater authority and flexibility in this regard, the PUD may provide a better vehicle for undertaking certain economic development ventures in conjunction with neighboring cities or public entities; for instance, a community owned cable television system or electric utility in association with the City of Palo Alto.

The issue of local self-government is of major concern in East Bayshore. In principle, there is a significant difference between the CSA and the PUD. As explained above, the County Board of Supervisors acts as the governing board of the CSA. Consolidation under this method means passing control of some special service functions from existing local agencies up to the Board of Supervisors. In contrast, consolidation under a PUD places control in a single board of directors elected within the local community.

The difference is not so great if the Board of Supervisors were legally able to delegate policy and budget authority of a CSA to the EPAMC. It also remains problematic at this time as to what exact mechanism might be used to guarantee that the members of the EPAMC were one and the same as the directors of the PUD. One suggestion would be to seek legislation which would define the elected board of the PUD as the EPAMC or to have one election for both.

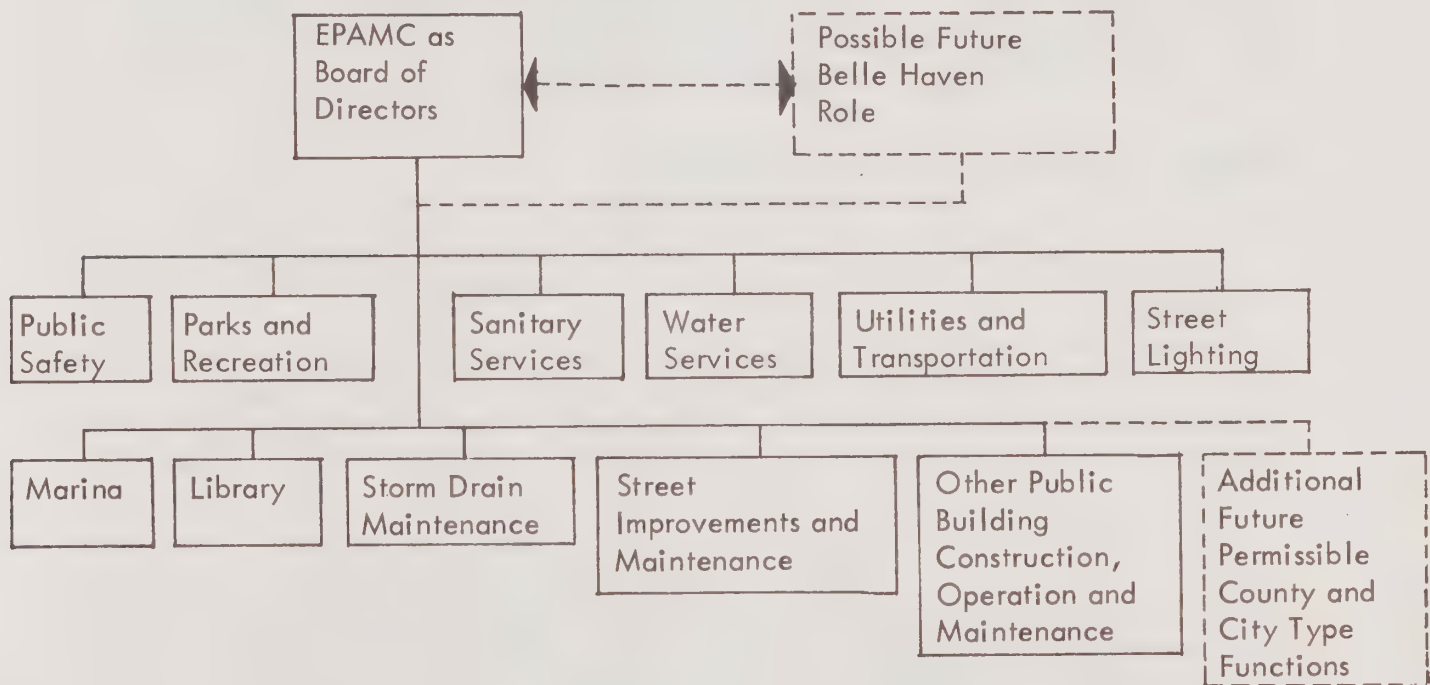
In addition, it should be noted that the PUD has the same powers as a city in terms of eminent domain and condemnation in pursuing its functions. In this regard, the CSA could operate again only through the County Board of Supervisors.

The relationship of the Belle Haven section of East Bayshore to governance of the PUD is similar to that outlined previously for County Service Area 5. That is, since there would be little significant initial extension of PUD services into Belle Haven, any detailed consideration of a structural arrangement which would provide participation by Belle Haven in governance of the PUD should wait until such time as there is a

thrust for unification of services throughout East Bayshore.

An example of the possible structure and functions which might be assumed by an East Bayshore Public Utility District (subject to further legal and financial feasibility studies) is illustrated in FIGURE 11.

FIGURE 11: PROPOSED PUBLIC UTILITY DISTRICT STRUCTURE AND FUNCTIONS



Several of the programs and concerns of the new entities described in other sections of this report may overlap with the purposes and potential function of either the County Service Area (CSA) or the alternate Public Utility District (PUD). For instance, both the CSA/PUD and the East Bayshore Planning Board would be concerned with recreation programs, approach routes to the Dumbarton Bridge, preservation of wetlands and shoreline, development of Cooley Landing, developing a transit system (PUD only), tree planting program, development of the Charles Drew Health Center, street improvements and modifications, new parks and totlots, and public facilities (CSA for County functions only).

COMMUNITY IMPROVEMENTS

The public improvements which have been programmed for the East Bayshore area fall into four major areas: recreational facilities (an overriding need), street improvements, public buildings and facilities, and public utilities. As a means for assessing the needs for improvements within East Bayshore, the community has been divided into twenty-one service areas. These areas have been determined according to the following criteria: existence of common problems, boundary features, census information areas, similar characteristics of development, and homogeneous population components. Each service area is designated by an alphabetical letter, from A to U and varies in size from approximately one eighth to one quarter of a square mile. Community service areas are depicted in FIGURE 12.

FIGURE 12: COMMUNITY SERVICE AREAS



Recreational Facilities

Need

To formulate a recreational facilities improvement program, an effort was first made to determine targets and priorities. For this purpose, recreation "need" was based on the general difference between imputed demand and supply of facilities, and such other indications as age group, density and concentration. The major neighborhood recreation facility categories considered included totlot, neighborhood (small) park, sitting area, playground, multi-purpose room and child-

care center. Each facility is designed to serve specific age groups within a neighborhood. These neighborhood-based facilities were distinguished from communitywide facilities, such as community recreation centers and playfields, which were intended for larger service areas.

Provision and location of recreational space and facilities, indoor and outdoor, is governed by a central factor - accessibility, both in terms of geographic and traffic barriers. This factor is particularly critical to such age groups as pre-school and elementary school children, and to the elderly, who, unlike youth and adults, are less mobile and less able to cross heavily-used streets. A service radius of 1/8 to 1/4 mile (or three to four blocks) was considered a maximum distance for the former. Two other factors were reflected in delineation of service areas - variations in population density and the housing pattern. (See Figure 12.)

Priorities were assigned to the neighborhood facilities by the service areas. For this purpose, three variables were considered: 1) density of specific age group in the service area; 2) concentration of age group in the service area; and 3) deficiencies in the supply of facilities. The resulting criteria are depicted in Table 15. Density was the total number of a specific age group in a service area divided by the total acreage in the service area. Concentration was calculated as the total number of a specific age group in the service area divided by the total number of the age group in the study area. Determination of recreation deficiencies was based on the differences between supply and demand, based on the following calculations: "Supply" data was gathered in the recreation facilities and program inventory surveys (see Figure 12). Demand data was calculated on the basis of the following recreation standards: totlot - 50 square feet per child (major users: pre-school children under age 5); neighborhood park or small park - 50 square feet per person (major users: elderly persons and pre-school children); playground - 100 square feet per person (major users: elementary school students, ages 5-13, and youth, ages 14-24); multi-purpose room - one for every 300 persons (major users: all population groups except pre-school children); child-care center-one for every 20 children (major users: pre-school children). Although any standard is questionable in validity, especially as it relates to a particular ethnic group in a suburban setting, it serves more as a valuable means for determining recreation deficiencies and thus identifying priorities. The standards employed in this study have been previously used by the City of San Francisco, as well as other cities, and are based on compilations by the U.S. Bureau of Outdoor Recreation and the National Recreation Association.

As shown in Table 15 service areas G and U have the highest priority for all types of recreation facilities followed by service areas C, K and R. Specific recreation needs for each service area needs are as follows: C, G, and U- child-care centers; G, R and U - playgrounds; C, K and U-sitting areas; G, R, and U- tot lots; and K and U-multi-purpose.

TABLE 15
PRIORITY AMONG FACILITIES BY
RECREATION SERVICE AREAS

KEY TO PRIORITY
 DESIGNATIONS

L Low
 M Medium
 H High
 H Very High

RECREATION SERVICE AREA	CHILD-CARE CENTER				PLAYGROUND				NEIGHBORHOOD PARK OR SITTING AREA				TOT LOT				MULTI-PURPOSE ROOM			
	Density of Users	Concentration of Users	Priority for Additional Facilities	Priority Areas (composite rating)	Density of Users	Concentration of Users	Priority for Additional Facilities	Priority Areas (composite rating)	Density of Users	Concentration of Users	Priority for Additional Facilities	Priority Areas (composite rating)	Density of Users	Concentration of Users	Priority for Additional Facilities	Priority Areas (composite rating)	Density of Users	Concentration of Users	Priority for Additional Facilities	Priority Areas (composite rating)
A	H	M	L	M	H	M	L	M	L	L	L	L	M	M	L	L	M	L	L	L
B	H	M	H	M	H	H	M	M	M	M	L	M	H	H	M	M	H	M	L	M
C	H	M	H	H	H	M	H	M	H	H	H	H	H	M	H	M	H	M	M	M
D	H	L	H	M	H	L	H	M	H	L	H	M	H	L	M	M	M	L	M	M
E	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
F	H	L	H	M	H	L	M	M	H	L	H	M	H	L	H	M	M	L	M	M
G	H	H	H	H	H	H	H	H	M	H	H	M	H	H	H	H	H	H	M	M
H	H	L	L	L	H	M	H	M	H	M	H	M	H	M	H	M	H	L	M	M
I	H	L	H	M	H	L	H	M	H	L	H	M	H	L	L	M	H	L	H	M
J	H	L	L	L	H	L	L	L	H	M	L	M	H	L	M	M	H	M	L	M
K	H	M	H	M	M	L	L	L	H	H	H	H	H	M	L	M	H	H	H	H
L	M	L	H	M	M	L	H	M	H	M	H	M	M	L	L	L	H	M	H	M
M	L	L	L	L	H	L	L	L	L	L	L	L	L	L	L	L	L	L	M	L
N	L	L	L	L	H	H	L	M	M	M	L	M	L	L	L	L	L	L	L	L
O	M	M	L	L	M	M	L	L	L	L	L	L	M	M	M	M	L	M	L	L
P	L	L	M	L	H	M	M	M	L	L	L	L	L	M	M	M	M	L	M	M
Q	H	H	L	M	H	H	L	M	H	L	L	L	H	H	L	M	M	L	H	M
R	H	H	M	M	H	M	H	H	H	L	H	M	H	H	H	H	H	M	H	M
S	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
T	H	H	L	M	M	M	M	M	L	L	L	L	H	H	H	H	H	M	L	M
U	H	H	H	H	H	H	H	H	H	H	H	H	H	H	M	H	M	H	H	H

The service areas have varying existing resources to handle the indicated problems. For example, areas A, B, H, J, M, Q, and T have existing recreation facilities which can be utilized more intensively, and which should be treated as resources for further development. Whereas areas C, D, F and G must rely heavily on new sites for recreation space, to meet their recreation needs although some pressures may be reduced by facilities adjacent in service areas when conditions permit. Areas K, L and U must rely totally on development of new recreation space within their service areas.

Programming

The information on density, concentration, and deficiencies, shown in Table 15 was supplemented by the following general data: 1) Projected demand for facilities based upon trends of population change and mobility; 2) Expense involved and potential financial resources; 3) Administrative and operational problems involved; 4) Potential staffing for facilities; and 5) Potential for secondary usage of facilities and possibilities for future development.

This total review of data and criteria was then reflected in a recreation program schedule and design criteria for specific projects, allocation of resources and implementation.

The schedule of proposed recreation projects and programs covers a five-year period. It is comprised of seventeen separate projects and programs. Scheduling includes proposed responsibilities of implementing entities, location by community service area, potential source of financing for each project, size of each project, estimated cost and total cost of each project. The schedule of action is based upon determination of need and priority discussed above. To remain responsive, the schedule should be reviewed annually and altered wherever necessary to reflect changes or classifications of community desires, further documentation of need, shifts in population and other changes influencing project and program selection and priority. The Proposed Recreation Program Map identifies recreation projects and proposals.

Street, Circulation and Related Improvements

The Interim Policies Plan for East Bayshore emphasized the need for improving the community's circulation system and upgrading streets and related deficiencies, especially in East Palo Alto. It set as an immediate program the initiation of a community campaign to secure additional street upgrading, as the first step in "a program aimed at incorporation of East Palo Alto as a separate city".

A circulation system has been designed to complement the policy aspirations of the community, especially those concerning land-use development, as it performs its primary function of moving traffic. In this regard the system attempts

TABLE 16
RECREATION PROGRAM SCHEDULE

PROJECT NUMBER	TYPE OF ACTION	SERVICE AREA	IMPLEMENTING ENTITY(IES)						SOURCES OF FINANCING					AREA IN	ESTIMATED COST IN DOLLARS				ESTIMATED TOTAL COST IN DOLLARS			
	● NEW CONSTRUCTION ▲ IMPROVED UTILIZATION □ ACQUISITION OF PROPERTY		Menlo Park Recreation Department	Public Utility District or County Service Area	Neighborhood Development Project Program	California State Toll Bridge Authority	San Mateo County Department of Parks and Recreation	HUD: Open Space Land Grant	HUD: Neighborhood Development Program	HUD: Facilities Grant	Private Donations, Grants, Loans	San Mateo County Park Charter Amendment	California State Toll Bridge Authority	Acres	ACQUISITION	DEVELOPMENT	MAINTENANCE	IMPROVEMENT TO EXISTING FACILITIES	TOT LOTS & SITTING AREAS	NEIGHBORHOOD PARKS AND PLAYGROUNDS	COMMUNITY PARKS	REGIONAL PARK & MARINA
	PROJECT NAME																					
1	KELLY PARK	▲	A	*				*		*				4.0				250,000			250,000	
2	TOT LOT	●	C	*	*			*		*				.14	790	1,980	168		2,938			
3	SITTING AREA	●	D	*	*			*		*				.12	1,285	1,752	168		3,205			
4	SITTING AREA	●	F		*			*		*				.07	700	957	168		1,825			
5	SITTING AREA	●	G		*			*		*				.13	900	1,815	1,152		3,867			
6	NEIGHBORHOOD PARK	●	G		*			*						.32	1,650	4,586	168		8,404			
7	RAVENSWOOD PARK	▲	J		*			*						4.0				250,000			250,000	
8	SITTING AREA	●	K		*			*		*				.13	1,315	1,815	168	168	3,298			
9	SITTING AREA	●	K		*			*		*				.28	6,750	4,045	168	168	10,963			
10	NEIGHBORHOOD PARK	●	L		*			*						1.0	5,540	20,500	3,600			29,640		
11	SUPERBLOCK PLAY SPACE	●	O		*				*					2.0								
12	JACK FARRELL PARK	●	Q			*								4.0				50,000			50,000	
13	PLAYGROUND	▲	R		*			*		*				3.2		65,579	11,520			77,099		
14	COMMUNITY PARK AND MULTI-PURPOSE RM.	●	T		*			*	*	*				3.9								
15	PLAYGROUND AND CHILD DAY CARE CENTER	●	U		*			*	*	*	*			1.2	1,810	16,777	4,200			18,587		
16	COOLEY'S LANDING	□	CW					*	*			*		156.0	750,000						750,000	
17	BICYCLE AND PEDESTRIAN PATH	●	CW		*		*		*			*										
TOTAL														180.49	770,740*	121,806	550,000	20,976	26,096	133,730	550,000	750,000



EAST BAYSHORE

COMPREHENSIVE PLANNING PROGRAM

SEDWAY/COOKE URBAN PLANNERS AND DESIGNERS
CHESTER McGUIRE · PAYNE-MAXIE · URSA

PROPOSED RECREATION PROGRAM

LEGEND

- NEW CONSTRUCTION
- ▲ IMPROVE UTILIZATION
- 8 PROJECT NUMBER
- SERVICE RADIUS
- ▨ EXISTING SCHOOL
- ▤ EXISTING PARK
- BICYCLE AND PEDESTRIANS PATH

FIGURE 13

**TABLE 17
STREET IMPROVEMENTS
PROGRAM SCHEDULE**

SUB-COMMUNITY	Order of Priority		PROPOSED IMPROVEMENTS							Location
	Low Priority L	Medium Priority M	High Priority H	Landscaping (street trees)	Bicycle Path	Landscape Traffic Island	Diagonal Parking	Reduce Crosswalks at Intersections	Closing Sections of Streets	
	Service Area									
BELLE HAVEN	A	L		x	x					Terminal Avenue from Kelly Park to Chilco Street, and Del Norte from Terminal Avenue to Market Place.
		M				x				The intersection of Ivy Drive and Market Place.
	B	L		x	x					Chilco Street to Newbridge; Newbridge to Holly.
		M				x				Chilco Street and Newbridge Street.
		L						x		Howard Street at the intersection of Newbridge Street.
	C	M		x	x					Newbridge Street from Windermere Avenue to Willow Road.
		L					x			Sevier Avenue between Hamilton Avenue and Ivy Drive; Madera Avenue between Hamilton Avenue and Ivy Drive and Newbridge; Carlton Avenue between Hamilton Avenue and Ivy Drive and between Ivy Drive and Newbridge Street.
		H							x	Widen and signalize Willow Road from the Dumbarton Bridge to Newbridge Street.
EAST PALO ALTO	D	L						x		Sevier Avenue between Newbridge Street and Pierce; Madera Avenue between Newbridge and Pierce Road;
		H							x	Carlton Avenue between Newbridge Street and Pierce Road.
										Widen Willow Road from the East Bayshore Freeway to Newbridge Street.
	E	H						x		The intersection of Kavanaugh and O'Brien Drive.
	F	H								Enlarge Newbridge to 60 feet from Willow Road to the intersection of Bay Road.
		M	x							Newbridge Street from Willow Road easterly to the intersection of Bay Road; Saratoga Avenue between Newbridge Street and Albern Street; Jervis Avenue between Newbridge Street and Albern Street; Laurel Avenue between Newbridge Street and Albern Street; Menalto Avenue between Newbridge Street and Albern Street; Poplar Avenue between Newbridge Street and Albern Street; Albern Street between Saratoga Avenue and Laurel Avenue.
		M		x						Newbridge Street from Willow Road easterly to Portola.
	G	M	x							Indicated on the Community Improvement Program Diagram.
		M		x						Newbridge Street to Portola, southeasterly along Portola to Menalto Avenue, Menalto Avenue to Garden Street, Garden Street to Oakwood Drive to Bell Street and easterly on Bell to Dumbarton Avenue.
		L					x			Menalto Avenue in the middle of the block between Bay and Garden, Poplar Avenue in the middle of the block between Bay and Garden, Addison Avenue in the middle of the block between Bay and Garden.
		M						x		Bay Road at the intersection of Newbridge Street, Garden Street at the intersection of Addison Avenue, Bell Street at the intersection of Dumbarton Avenue, Portola Street at the intersection of Newbridge Street, Palo Verde Street at the intersection of Dumbarton Street.
		H							x	Enlarge Bay Road to the standard arterial width of 60 feet from Newbridge Street to Dumbarton Avenue; pave the alley between Holland Street and Menalto Avenue; construct curbs and gutters between Bay Road and East Bayshore Road on Menalto Avenue, Popular Avenue, Ralmar Avenue, Addison Avenue, and Oakwood Drive; widen Dumbarton Avenue to county standards for a neighborhood collector (40 ft.); include appropriate curbs and gutters from Bay Road to East Bayshore Road; construct curbs and gutters at the following locations: Garden Street between Menalto Avenue and Oakwood Drive; Bell Street between Oakwood Drive and Dumbarton Avenue, Palo Verde between Oakwood and Dumbarton Avenue.
	H	L		x						Indicated on the community improvement program map.
		L			x					University Avenue between the Hetch-Hetchy aqueduct to Bay Road.
		H						x		Kavanaugh Drive at University Avenue and between Kirkwood Court and O'Brien Drive;
										Gloria Way at the intersection of Ursula Way.

TABLE 17 (CONT.)

SUB-COMMUNITY		Order of Priority	PROPOSED IMPROVEMENTS							Location	
Service Area	Low Priority Medium Priority High Priority L M H	Landscaping (street trees)	Bicycle Path	Landscape Traffic Island	Diagonal Parking	Reduce Crosswalks at Intersections	Closing Sections of Streets	New Construction			
EAST PALO ALTO	I	M M L L H	x x	x			x	x	x	University Avenue between Bay Road and Runnymede Street. Bay Road between Dumbarton and University Avenue. The intersection of Runnymede Street and Glen Way. Palo Verde at Bay Road. Enlarge Bay Road to 60 feet and construct the appropriate curbs and gutters between Dumbarton Avenue and University Avenue; the following streets should be enlarged to the county standard for local streets of 36 feet and curbed and guttered: Palo Verde, Lilac Lane, Weeks Street, Oakdale Road, Runnymede Street, Glen Way and Sacramento Street.	
	J	M M M	x	x			x		x	University Avenue from Runnymede Street to Donahoe Street and Bell Street between Dumbarton Avenue and University Avenue. The intersection of Euclid Avenue and Bell Street; Euclid Avenue and East Bayshore Road. Enlarge the following streets to 36 feet and include curbs and gutters: Garden Street, Oakdale Road, Bell Street, Green Street, Lincoln, Glen Way, and Euclid Avenue.	
	M	M H	x	x					x	Donahoe Street between Cooley Avenue and Clark Avenue; Pulgas Avenue from Donahoe Street to Camellia Drive. Enlarge Pulgas Avenue to 40 feet and construct the appropriate curbs and gutters from East Bayshore Road to Myrtle Street.	
	N	M	x	x						Bell Street from University Avenue to Cooley Avenue and Cooley Avenue from Bell Street to Donahoe Street.	
	O	H							x	Enlarge Cooley Avenue and Clarke Street to 40 feet with the appropriate curbs and gutters between Bell Street and Donahoe Street and Bay Road and Green Street respectively; enlarge Bell Street with curbs and gutters between Cooley Avenue and Clarke Avenue; enlarge Bay Road to 60 feet and construct curbs and gutters from University Avenue to Clarke Avenue; enlarge and modify Green Street to conform to the specification of the NDP plan.	
	P								x	Enlarge Runnymede Street to 60 feet with the appropriate curbs and gutters between Cooley and Pulgas Avenues; enlarge Cooley and Clark Avenues to 40 feet with the appropriate curls and gutters between Weeks and Runnymede Streets and bewteen Weeks and Green Streets respectively.	
	Q	M M M	x x	x				x		University Avenue from Bay Road to Purdue Avenue. University Avenue to the Hetch-Hetchy aqueduct right-of-way and the Hetch-Hetchy right-of-way to Purdue. At the following intersections: Purdue Avenue and Fordham Street; Notre Dame Avenue and Fordham Street; Purdue Avenue and Illinois Street; Illinois Street and Michigan Avenue; and Michigan Avenue and Fordham Street.	
	R	M M M L	x x	x					x	x	Bay Road from Illinois Street to Cooley's Landing. Hetch-Hetchy aqueduct right-of-way from Purdue Avenue to Tulane Avenue, via Tulane to the City of Menlo Park boundary (the dike) and along the cike to Bay Road. Stevens Avenue and Illinois Street Enlarge Bay Road to 60 feet and construct the appropriate curbs and gutters from Illinois Street to Cooley's Landing.
	S	L H	x	x						x	Along the dike from Bay Road to Garden Street. Enlarge Pulgas Avenue to 40 feet and construct the appropriate curbs and gutters from Bay Road to Garden Street; modify existing street to conform to specifications.
	T	L H	x	x						x	Along the dike from Garden Street to O'Connor Street. Enlarge Pulgas Avenue to 40 feet and construct the appropriate curbs and gutters as per the NDP plan.
U	H	x	x							Along the dike to San Francisquito Creek, via the creek to Verbena Drive, via Verbena Drive to Camellia Drive and Camellia Drive to Pulgas Avenue.	

EAST BAYSHORE

COMPREHENSIVE PLANNING PROGRAM

SEDWAY/COOKE URBAN PLANNERS AND DESIGNERS
CHESTER McGUIRE·PAYNE·MAXIE·URSA

STREET IMPROVEMENTS DIAGRAM

LEGEND

- NEW ROAD
- |■|■|■ WIDEN AND/OR SIGNALIZE EXISTING ROAD
- MAJOR STREET MODIFICATIONS
- BICYCLE PATH
- ★ TRAFFIC REGULATOR

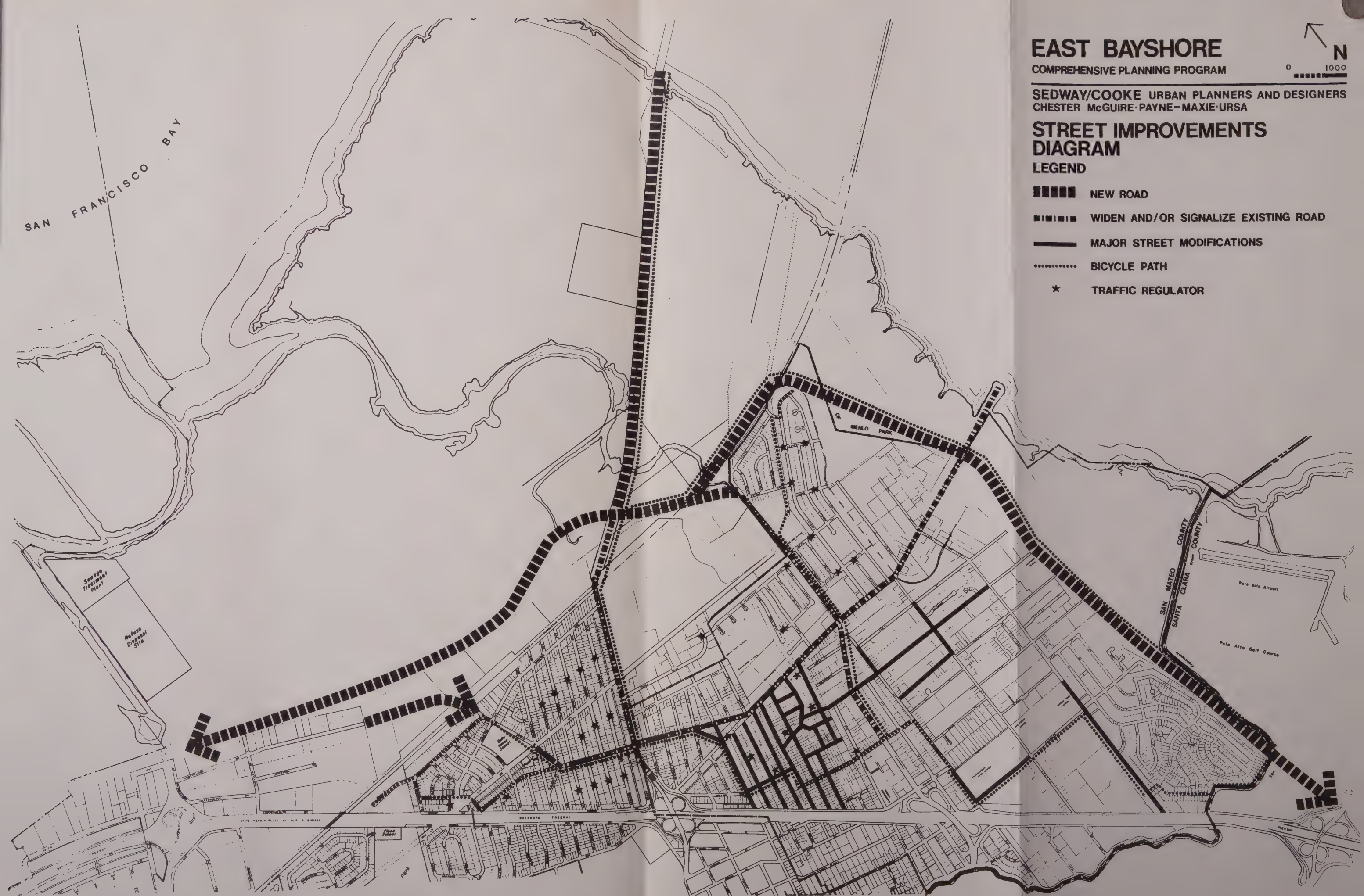
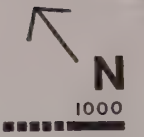


FIGURE 14

to accomplish the following: 1) To improve internal and external vehicular accessibility, 2) To distribute internal and external vehicular traffic so that it will have minimal disruptive and maximum beneficial affect on the community, 3) To establish an internal hierarchy for traffic flow within the community and 4) To physically and visually focus and guide traffic flows to nodes of community activity. Additionally, it is important to realize that even though numerous policy decisions helped to determine the design of the circulation system, once established it will in turn have significant influence on the eventual achievement of those policies. For example, policy decisions concerning the selection of approach routes to the Dumbarton Bridge will have an important impact on other areas of community concern such as economic development, political influence, social interaction, environmental quality, etc. Therefore, it is incumbent upon the residents of East Bayshore to participate in all policy decisions concerning the implementation of the circulation system.

This section presents a program for correcting street deficiencies in the community. Included in the program is an identification and description of deficiencies, an approximate estimate of costs for making the needed improvements, and an alternative method for obtaining County financing of improvements.

The following Street Improvements Program Schedule sets forth the location of a variety of improvements including: landscaping and street trees, bicycle paths, landscaped traffic islands, diagonal parking areas, closure of narrowing of streets for safety purposes, crosswalks, and new street construction. All of the above Improvements are shown in Figure 14.

TABLE 18 ESTIMATED COST OF THE EAST BAYSHORE STREET IMPROVEMENT PROGRAM
(Excluding Renewal Area and the Dumbarton Bridge approaches)

<u>Trees</u>	Major streets	5,350' @ \$200/25'	\$ 43,000
	Minor streets	37,750' @ \$ 50/25'	76,000
		Subtotal	\$ 119,000
<u>New Streets</u>	60'	5,700' @ \$100/ft.	\$ 570,000
(incl. curbs,	40'	17,800' @ \$ 66/ft.	1,175,000
gutters, side-	36'	12,800' @ \$ 51/ft.	653,000
walks, etc.)		Subtotal	\$2,400,000
<u>Paved Alley</u>		1,250' @ \$ 25/ft.	\$ 30,000
<u>Street Modifications</u>		32' @ Ave. \$1,100	\$ 35,000
<u>Bike System</u>		37,700' @ Ave. \$.20/ft.	\$ 8,000
		Basic Cost	\$2,711,000
		30% Overhead, etc.	\$ 813,000
		TOTAL	\$2,500,000

ALTERNATE METHOD FOR FINANCING COMMUNITY DEVELOPMENT

It is the responsibility of the County to finance the street improvement program indicated above. Commitments should be obtained from the County to undertake this improvement program. However, if the County cannot move ahead with this program, there may be an alternative method for achieving results with the bulk of program costs paid by the County less directly.

At present, the County maintains a Street Improvement Fund. Money from this fund is given to local communities on a one-for-two matching basis. That is, for each \$2.00 the local community puts into street improvements, the County will place \$1.00 into the improvements. The problem, of course, for the local community is obtaining the first \$2.00. Under the renewal program in East Palo Alto, the \$2.00 could come in the form of grants from the Federal government. However, federal funding is severely limited and most of the street deficiencies are outside the renewal area. Another way to obtain local funds would be through an assessment district. Unfortunately, the usual assessment district for improvements places an additional tax burden on local residents to obtain necessary local funds. This is not a viable option because the low and moderate-income families in the area are already overburdened by property taxes.

There is another approach which could secure the necessary local share without placing an additional tax on the local residents. This involves the creation of a renewal area under California's Community Redevelopment Law with power to use "tax-increment" financing. Under this arrangement, only new buildings and increases in property values are taxed to produce revenues for the district. The tax rate can be no higher than the aggregate which would apply to property in any case. Because property values of existing structures are not increasing significantly, funds would have to come primarily from new private construction. The next major building scheduled for East Palo Alto is the County Multi-Service Center which will be constructed and owned by Counterpart and leased to the County. Consequently, almost all the property taxes Counterpart must pay on the building will be passed on in the rent the County pays. In turn, this money would be available to the renewal district for the local share of street improvements. Thus, the County would indirectly be paying the local share of the improvements as well as the matching funds.

Assuming that the Service Center will cost at least \$2 million, and the combined tax rate in EPA is almost 4% of full value, the annual tax yield to the district from the building would be between \$75,000 and \$100,000. This amount will finance almost \$1 million in local contribution to street improvements and will bring in additional funds from the County making the total available for improvements almost \$1.5 million.

Furthermore, if the proposed Drew Health Center is subject to property taxes, an amount of funds approximately equal to those generated by the Service Center would also be available for street improvements in the district. Most of the funds produced by the

Health Center will also come from sources outside the community. Moreover, development of the Service and Health Centers may both spur new private development and increase property values at the Nairobi Shopping Center. This will provide revenues to the renewal agency, but will largely retain funds generated by the community. Of course, the funds retained can also be used to obtain outside matching funds for improvement projects.

The main drawback to this approach are the financial implications for the elementary schools. The schools are presently underfunded and rely on a limited tax base. While the schools would not receive any less under this approach, administrators of the system may feel that new increases in tax revenues also should accrue to the schools. However, under recent court decisions and State legislation, there may be a major increase in State support for the elementary schools so that their desire to obtain increased revenues from the increased local property values may be overcome. Moreover, if the improvements can be used to generate more new development than would otherwise have occurred, the school district might consider that potential the long-range benefits outweigh the short-range losses.

OTHER PROGRAMS

There are many potential public service programs for East Bayshore which may be undertaken by or in conjunction with a public service entity. While some of these can involve either a CSA or PUD, the latter seems to lend itself better to the majority. In this section, several of the more promising programs, which might interface well with other public service entities, are outlined.

Major Storm Drainage Projects

The need for an extensive storm drainage system is generally recognized by the community and the County as essential to the proper development and the improvement of East Bayshore. The extent and cost of the system as well as who pays for it are still matters of considerable controversy. When and if major storm drainage projects are to be implemented, either the CSA or PUD should be charged with responsibility for undertaking them.

Recreation and Child-care Programs (in Conjunction with School Districts)

Because East Bayshore likely will maintain a relatively stable population size and age composition for the immediate future, there are no present plans for significant school construction or additions. However, there is a recognized need in East Bayshore for expanded recreation, community and child-care facilities, both in general and in

specific relation to the Ravenswood Elementary Schools and High School. The public service entity, will have responsibility for operating, maintaining and providing recreation, park and certain community facilities for the general community. Detailed programs related to these facilities are indicated in a preceding section of this report. It should also be the responsibility of the entity to work in close cooperation or partnership with the schools, in planning, developing, maintaining and operating the same or similar facilities, including child-care centers and other community-oriented service facilities, which the schools normally would undertake themselves. There should also be joint operational programming between the service entity and the schools in terms both of their related recreation, park and other community facilities.

Medical Facilities

Plans presently are underway for development of a major new medical facility in East Bayshore - the Drew Health Center. As presently envisioned, the Center, while serving a public function, will be owned and operated by a private but community-controlled nonprofit corporation. This normally means the project must obtain conventional financing for any capital costs not covered by governmental grants. It should be possible to work out an arrangement either through the CSA or PUD, which will allow the Center to be financed with lower interest rate, tax-exempt revenue bonds instead of higher-cost commercial loans and mortgages. (An alternative, if conventional financing must be used, would be to use a partnership arrangement which will bring in a significant amount of equity or program money for income tax considerations.) In any case, development should be undertaken in conjunction with the CDC/HDC to make use of, and further expand their experience.

An auxiliary function for the Health Center would be ambulance service. This service could as well be provided through the public service entity for financial reasons and in conjunction with the CDC, as an operating program. A public health communications program might make use of cable television facilities provided by the PUD and CDC as explained below.

More detailed programs of a public health character are fully described under Immediate Action Programs, in the following sections.

County Multi-Service Facility

Plans are well along for development by Counterpart of a facility to house County services. The public service entity could play the same beneficial financial role in this case, as suggested for the Drew Health Center. (As with the Health Center, partnership arrangements could also be worked out which would bring additional capital into the project or related programs for income tax-shelter considerations). In addition, the public service entity would likely be a major tenant in the multi-service facility.

Cable Television System

At present, there is active and widespread support in East Bayshore for community control and ownership of the cable television system to be developed in the area. This support has come from the EPAMC, the CDC, and the 701 Committee, among other groups and individuals. Unfortunately, similar backing has so far been lacking from other involved governmental entities.

If community efforts to obtain a franchise are successful, a PUD (but not a CSA, as explained elsewhere) might play an important role in financing, development and, if appropriate, operation of the system. For instance, the PUD may be able to issue tax-exempt revenue bonds to provide lower-interest rate, 100 percent financing of the system. It may also enter into a lease-back agreement with the CDC which would enable the CDC to develop and own the system using similar tax-exempt revenue bonds (nonprofit corporation bonds). Another option might be for the entity to enter into a joint powers agreement with the City of Palo Alto to develop the East Bayshore system in conjunction with the Palo Alto system. In this case, revenue bonds or a mortgage loan from the City of Palo Alto utility reserve funds might be used for financing. The additional benefits which may be available through tax shelter partnership arrangements should also be considered for applicability to whichever of the financing and ownership forms might be assumed. (If the County does not provide a franchise, an established PUD would have the power either to take over the private CATV system or establish its own system.)

Local Electric Distribution System

Many small and medium-sized communities throughout the U.S. as well as in the Bay Area are considering local public ownership of their electric distribution systems as a means for holding down utility rate increases and/or providing additional revenues for public services. An East Bayshore PUD may be in a more favorable position than many because of its proximity to the very efficient and profitable City-owned system in Palo Alto. A level of association possible with the Palo Alto system should be pursued. If after careful and thorough economic, financial and legal study, a community-owned system proves feasible and beneficial to East Bayshore, the people of East Bayshore acting through the PUD could move to acquire, through eminent domain, the existing PG&E electric distribution system in the area. The financing and ownership arrangements discussed above for a community-owned cable television system should generally be applicable to the acquisition and operation of the local electric utility system. (A CSA does not have the legal power to undertake the above program.)

Local Transit System

There is a need in East Bayshore to develop an effective local transit system, either by mini-bus or "jitney". At present, the greatest need is in relation to shopping, specifically at the Nairobi Center, and for access to employment in or near the

community. In the future, the opening of a rapid transit station in or near East Bayshore could become the focus of a local transit system. The PUD (but probably not a CSA) could establish and operate the local transit system by itself or in conjunction with the CDC. Again, the financial and organizational arrangements and benefits outlined above for other public service programs under the PUD should be applicable in this case as well. (A description of CDC efforts for this program may be found in the section on Economic Development.)

Other Public Building and Development Programs

There are and will be various public building and development programs in East Bayshore which could involve the PUD and, in fewer cases, CSA. At present, for example, there is the proposal for the CDC to develop and lease-back a small U.S. Post Office building. If need be, the PUD could play the same financial and development role in this project as outlined above for the Drew Health Center. Similar arrangements with the CDC also might be applicable to either the PUD or CSA in relation to development of Cooley Landing. (However, a major problem in this case is the location of the Landing, largely within the present City boundaries of Menlo Park.) In another example, the PUD or CSA might act as land developer for a new residential or industrial subdivision sponsored by the CDC/HDC.

In general, all community development programs and projects should be viewed for their relation to the PUD/CSA and for whatever benefits might be offered by involvement of the PUD/CSA in the specific undertaking. Similarly, any projects of a public nature (totlots, community buildings, streets, etc.) which are to be developed under the auspices of the PUD/CSA should be done, whenever possible, through the HDC as the contracting and building arm of the CDC. In this way, the experience of the CDC/HDC will be expanded and the goal of increased local employment and economic development in the East Bayshore community will be furthered.

Community Communications

A community communications program will: increase local identity; increase the political influence of East Bayshore with San Mateo County and Menlo Park; help organize the community politically, and; allow more efficient utilization of existing resources and programs.

To accomplish these objectives the following are proposed: 1) joint or cooperative efforts between existing agencies, organizations and programs; 2) more extensive and coordinated utilization of existing communications media currently reaching substantial populations in the East Bayshore area; 3) extensive, planned, and coordinated use of "natural" communications networks and systems in the area; and 4) centralization of responsibility for coordination of community communications in the EPAMC or other East Bayshore "political" organizations. The EPAMC could serve as central coordinator of community communications. As coordinator of communications it would be staffed to: obtain and coordinate use of a bulk mailing permit for community organizations and agencies and use of utility company

mailings; prepare written materials (press releases, stories, etc.) for community organizations and agencies and coordinate dissemination; prepare statements and develop audio-visual and graphic promotional and interpretational materials for community organizations and agencies; negotiate as community representative with mass media for coverage and space (e.g. CATV and Public Service TV, public service spots on radio, special shows, regular news coverage, calendar listings, etc.); and establish, maintain, operate and coordinate a community switchboard (e.g. referral service, research and/or ombudsman services, recorded listings of events, etc.).

It is estimated that the cost of this program would be \$50,000 - \$75,000 per year, including 1-3 staff persons. Among potential funding sources are local and national foundations, schools of communication, network television companies, telephone company, and utility companies.

A related effort is the use of the "natural" community communications network as the foundation for the long-term political development and organization of East Bayshore. A central agency - e.g. the EPAMC or the proposed Joint Planning Commission, would survey the community in order to identify the network of organizations and locations that residents in East Bayshore naturally use to obtain information, to debate ideas, and to relate to community programs. These would include all block and neighborhood associations, religious and fraternal organizations, "natural communications centers" such as key bars, barber shops, grocery stores, restaurants, etc., and community educational and social agencies.

In each case, the proprietor, chairman, or staff of the agency, organization, or store would be trained to disseminate information, collect opinions, and provide feedback to the central coordinating agency. The coordinating agency would provide training, regularly distribute information and materials on community issues to each of these key contact people.

The cost of this would be approximately \$20,000 - \$25,000 per year including reimbursements to natural communication centers, printing, training and distribution. Among potential funding sources are local and national foundations, the CAP, economic development funds and property taxes.

Still another alternative for public and political information would be to create East Bayshore Coalition modeled on the Mission Coalition in the Mission District of San Francisco. This would be basically a coalition of organizations - any group with 10 or more members could join - banded together to unite their political competencies for community betterment. This approach allows widespread participation in community governance through small local groups (10 or more) formed around particular issues. The Mission Coalition, and similar organizations around the U.S. inform themselves through a network of committees and working task forces which formulate policies - and plans - for discussion at annual or semi-annual "Community Congresses". The officers are elected by ethnic group (e.g., in the Mission, there are over 20 Vice Presidents - a V.P. for Mexican-Americans - a V.P. for

Native Americans, a V.P. for Afro-Americans, a V.P. for Italian-Americans, etc.), or by special interest group (a V.P. for labor, a V.P. for merchants, a V.P. for religious organizations, etc.) to assure board representation.

The cost would be about \$30,000 - \$35,000 per year, including a full-time trained organizer.

Time Line for Implementation

Obviously, relationships to EPAMC and San Mateo County Supervisors and the City of Menlo Park would need to be carefully considered.

Group Professional Services

To improve the quality of professional services and attract more professionals to East Bayshore, there must be an improvement in physical conditions, housing and amenities to attract professionals and other residents with high incomes. But to provide new employment opportunities with the possibility of good incomes, it is proposed that there be established community professional group practices in areas of: medical, dental, mental health, and pharmaceutical; legal assistance; architecture, planning and engineering; and management and administrative services.

The Community Development Corporation should survey the community to determine the extent of need for each category of professional service, and ability to support such services. It should recruit, screen, and select an appropriate number of professionals and provide a guaranteed income for a specified period of time. The guaranteed income might be a standard set amount for each year, or it might be a diminishing amount over the program's duration. The duration might range from 3 to 5 years. Both the amount of the guaranteed income and the duration of the program need to be adequate to assure the success of a fledgling professional practice.

In the medical area, particular consideration should be given to: new patterns of service delivery; new patterns of staffing a community health program (e.g. paraprofessionals, ex-servicemen medics, extended role nurses); new combinations of services (e.g. family health, dental, mental health, rodent control and public health, etc.); and potential for contract services (e.g. rodent control with county; medical, dental, or mental health with schools) or third party reimbursements (e.g. Titles 14 or 19, Short-Doyle funds, private health insurance).

In the area of legal assistance, particular consideration should be given to utilization of paraprofessionals; and potential for contract services (e.g. with county as public defenders for indigents, administration of the County's Own Recognizance - "OR" - bail project).

In the area of architecture, planning, etc., central concerns should be: exploring potential for contract services to the Housing Development Council for design and rehabilitation services; and potential for contract services to San Mateo County for public buildings, development, and maintenance.

In the area of management and administrative services, consideration should be given to contract services with all public, quasi-public, and private agencies for secretarial, clerical, bookkeeping and accounting, and other office and administrative services.

IMMEDIATE ACTION PROGRAMS

It is not completely clear to what extent the PUD or CSA can begin to influence programs, other than the largely utility-oriented functions explicitly listed in State Law. Amendments of State legislation may be necessary. However, if the governing body relates closely to the East Palo Alto Municipal Council, there should be no problem in pursuing broader public services programs. One of the social programs with overriding need is that of public health programs. Hence, special attention has been given to programs in this area as a means for dealing with a significant social need in a way which relates effectively to other programs and promises early results.

The following specific programs are suggested in the area of health services.

Expansion of Drew Health Center to a Health Maintenance Organization .

A Health Maintenance Organization (HMO) is an "organized system of health care which accepts the responsibility to provide or otherwise assure the delivery of an agreed upon set of comprehensive health maintenance and treatment services to a voluntarily enrolled group of persons in a geographic area and is reimbursed through a pre-negotiated and fixed payment . . .". Drew Health Center in East Bayshore was founded and operated until recently by the Office of Economic Opportunity to provide ambulatory care for low-income residents of East Palo Alto and East Menlo Park. As of July, 1972, Drew was transferred to HEW under Section 314e, and is in the process of planning for broadening of services to moderate- and middle-income families.

As stated above, the HMO concept encompasses considerably more than an ambulatory care unit. The size of Drew, its facilities, the economic composition of the community, its present enrollment, the lack of hospitalization and rehabilitation, make it an unlikely candidate for an HMO. However, at a future date, it could be linked to a HMO, if one were formed at the Palo Alto Clinic or at Stanford.

Steps are being taken now at Drew to establish fee schedules for non subsidized or fully subsidized patients. Capitation contracts are being signed for Medi-Cal patients who are enrolled at Drew Health Center.

According to the acting director of the Center, capitation for all enrollees could not and will not take place until Drew moves to a new facility. At present, they do not have the capacity to handle such numbers. Instead, Drew will begin to act more as a group practice and reduce operating costs and overhead. The need to keep costs down has been felt over the last two years at OEO and will continue under HEW, as Federal grant funds diminish.

The Federal government's attempt to make former OEO health centers self-sufficient is unrealistic and, in fact, probably impossible if they continue to treat low-income people. This is true if one considers the fact that low-income people, in general, have poorer health and greater utilization of health services than the middle class. To cut down on the over-utilization of services, a massive health education program could be introduced to help people know when they should see a physician, when they could see a nurse, etc. In short, frills can be removed, fee-paying patients sought, and operating costs reduced. At best, however, this will result in increased but not total self-sufficiency.

Expansion of Mental Health Services

San Mateo County now has a Federally-funded County-wide mental health program (CMHC) with Regional offices for the South County area in the Veterans Administration Hospital in Menlo Park. A separate unit headed by a psychologist sees patients in East Bayshore. The services available are crisis intervention, consultation, emergency care and partial hospitalization. Patients are seen in the VA facility and at Drew Health Center. In addition to professionals, a number of community workers from East Bayshore are on the staff. Drew Health Center also has a psychiatric staff.

Some residents of East Bayshore are concerned about the location of services and feel that there is a social stigma attached to using the VA facility. Also, those relying on public transportation find it difficult to get to the VA hospital without spending considerable time in transit. Many residents choose to seek psychiatric help at Drew rather than going outside of the community. The CMHC staff, on the other hand, feels that many people prefer to go outside of their community for treatment, because there is more anonymity. The lack of a black psychiatrist at the EMHC East Bayshore unit has been a problem in achieving community acceptance.

The lack of a community-based intermediate-care facility for individuals requiring daily support but not an institutional setting is great. The facility in Redwood City has not been utilized by East Bayshore both because of the distance, and the fact that it is all-White.

The absence of a local board also has been a drawback in community acceptance. The South County CMHC unit has not developed a local advisory board. The creation of a community board with specific duties, comprised of East Bayshore residents who are both users of services and other residents would greatly improve the program's relationship to the community.

As a work program, the community should seek mental health funds for the East Bay-shore day center, form a local community board with assistance from EOC, Drew and the EPAMC, and move the mental health unit out of VA to a community location. New space also could be used as a day-care facility.

Training of Health Personnel from the Community

The need to train more local residents for openings in the health professions within East Bayshore and in adjacent municipalities is considerable. These openings range from community workers to physicians' assistants. The job potential is considerable over the next ten years, with the increased emphasis being placed on the use of allied health personnel to supplement the role of the physician. Also, the sophisticated nature of medical technology is creating a need for trained personnel to use equipment in diagnostic work-ups as well as in treatment programs.

Junior colleges and universities in the Bay Area are training people in such specialties as inhalation therapy, nurse practitioners, physicians' assistants, health educators, dental technicians, x-ray technicians, as well as in nursing careers.

Federal assistance through the National Institutes of Health (NIH) Manpower Education Initiative Awards, offer special career opportunity grants for financially disadvantaged students. This, along with special scholarships, both locally and Federally-financed, and Department of Labor manpower programs, would enable more East Bayshore residents to enter the health professions.

A School of Allied Health Personnel could be established to facilitate the enrollment and recruitment of local residents and to supervise the overall training design. This could be done either in conjunction with Nairobi College or the Bay Area School of Allied Health Personnel in Richmond, California. This can be a "school without walls". The services of the school might include recruitment of students, orientation, counseling and financial support, referrals to local training institutions, job development, curriculum development, etc. The direction that these schools take varies according to the needs and resources of a particular area.

The greatest problem will probably be securing the cooperation of the various institutions who are currently training health professionals. Because the various institutions may prefer to handle recruitment and training as part of their general admissions policy rather than to transfer these responsibilities to another entity.

Another area to be studied carefully is the placement of trainees. In Los Angeles, the training institutions agreed to hire those completing the instruction.

A basic requirement before applying for Federal funds is a detailed assessment, by skill, of future needs for East Bayshore and surrounding towns. This is based on the overall shortage and demands for trained personnel as well as the equal opportunity progress to date.

The following is a likely program schedule:

1. Assessment of needs (Month 2)
2. Determination of Sponsorship (Month 2)
3. Federal Application (Month 4)
4. Hiring Director and Staff (Month 4)
5. Negotiations with Training Institutions (Month 4)
6. Recruitment of Students (Month 4)
7. Target Operational Date (Month 9)

Closer Coordination of Services between the San Mateo County Health Department and Drew Health Center

The San Mateo County Health Department District Office in East Palo Alto offers combined visiting nurse and public health nursing services to East Bayshore residents. In addition to nursing services, the district offices give immunizations, child health conferences and family planning. Virtually all of these services are offered as part of the full range of family health services at Drew. Health Department funds for VD case findings also are given to Drew. At the present time, the duplication of these services does not seem to be a problem. Drew is operating at capacity, and some East Bayshore residents prefer to go to the Health Department for categorical services. Upon completion of the new Drew facility, there may be a demand for further consolidation services with the Health Department contractors with Drew.

The area in which coordination of services could vastly be improved is in home health care. There is a need for an organized patient referral system utilizing Drew nurses, community health workers and Health Department nurses. The advantage of such a program would be the avoidance of service duplication and overlap, as well as better utilization of manpowers.

Another area in which there exists the potential for coordination and consolidation is staff training and education. Both could conceivably be conducted by a neutral organization or consultant. Stanford could perhaps function in this role.

Relationships between the County Health Officer and the Drew Health Center are generally good. However, at the local level - the District Office and the nursing staff at Drew - relationships, are characterized partially by distrust, based on some extent upon internal problems at Drew and personal differences. Any attempt to develop a coordinated nursing service must deal with such matters.

Establish Closer Relationship with Stanford Medical School

The proximity of Stanford University and Drew Health Center offers potential advantages to each institution. The resources of Stanford Medical Center are considerable, in terms of physician manpower, speciality services, training and instruction for

allied health personnel and hospitalization. Drew, on the other hand, is an ideally-suited facility for training students and professionals in family practice, interpersonal relationships, and community orientation in a non-hospital setting which approximates more closely the typical problems that health delivery is now facing. Rotating residents in family medicine is one of many possibilities, with training by Drew physicians.

Other areas for possible exploration include the development and testing of a large-scale health education program to inform drew patients of early-warning systems for disease, as well as simple treatment procedures for minor illness. Drew's present ties with Stanford are in Regional Medical Program (RMP) screening programs and the fact that Drew physicians are on the staff at Stanford Hospital. RMP is now considering a grant to Drew to work on the diagnosis and treatment of hypertension.

Based on past experiences, relationships between Stanford and East Bayshore are distant, at best. Many residents have a distrust of Stanford's motives for becoming involved with Drew Health Center. And to a very considerable extent there is a fear that Stanford would dominate any relationship. Consequently, the key to working with Stanford is the development of shared responsibilities so that Drew might administer and control, under contract, certain aspects of the program.

Despite the inherent problems involved in developing joint programs with Stanford, Drew officials believe that in terms of long-range plans, ties with Stanford could be beneficial and should be pursued. Preliminary discussions took place last year, but there has since been a change in deans. No contact as yet has been initiated with the new dean.

The first step in any work program would be for Drew to outline areas of mutual interest, such as physician manpower, allied training, health personnel, and health education. From there, specific programs should be developed to discuss with Stanford. A target date for action should be set for the Academic Year 1973-74, for at least some ongoing programs.

Drug Abuse and Narcotics

Two drug abuse programs are currently available to residents of the East Bayshore Community: A County-wide Methadone Maintenance Program, and a community-based program in East Palo Alto with no outside funds.

The Methadone Program, funded out of local tax revenues - \$115,000 - has openings for 100 enrollees and became operational in November, 1972. All services, counseling and maintenance, are located in Redwood City.

The other program, approximately 5 years old, is a one-man operation with community volunteers, referral services to Chope Hospital and a day-center for addicts. This program has wide support by local residents as well as many officials who feel that outside resources would be well utilized in this informal setting. The program has heretofore survived only on dedication and commitment of a local community member who runs the program out of his place of business. At present, there is an organized effort on the part of County officials, health providers and other groups who have formed a local task force to secure funds for this program.

The need for an expansion of the community-supported effort is great, in that methadone maintenance is not fully accepted by East Bayshore residents and some staff at Drew Health Center. Maintaining an alternative to methadone, such as a drug-free setting - is important. Other drawbacks to the County methadone program are the location of services, Redwood City, and the lack of an in-house outreach capacity. The program is small but the need or demand for services is as yet unknown.

The expansion of Frank Campbell's treatment center into a broad range of social and rehabilitative services for individuals with drug problems is a top priority. This might include a live-in center, counselling, referral services and rehabilitation. Assistance in counselling and psychiatric referrals could come from Drew and the mental health unit in the South County area.

Funding sources that could be tapped include: a. NIMH, in direct grants for special project - narcotics and drug abuse. Application deadlines are February 1, June 1 and October 1, with approximately 180 days wait for approval; b. Office of Economic Opportunity, Drug Rehabilitation Program, which is very broad in scope, and emphasizes community-based projects. Generous grants are unavailable, ranging from \$150,000 to \$500,000. Twenty new projects will be funded by 1972; c. State Assistance, State Legislation, Chapter 1255, Law of 1972 (SB 714) was passed in 1972 and will allocate money from the General Fund according to the Short-Doyle formula, through the Department of Mental Hygiene, to counties for treatment and rehabilitation of drug addicts. The County of San Mateo estimates that under this bill they will receive approximately \$400,000 the first year. The Governor emphasizes law enforcement referrals, but San Mateo County also considers this legislation a potential source of funds for Fred Campbell; d. Community Assistance Grants for Narcotic Addiction and Drug Abuse (NARB) requirements tend to be geared toward Community Mental Health Center grantees.

A work program schedule is as follows:

- Determination of sponsor - Month 1
- Developing Application - Month 2
- Obtaining facility - Month 3
- Staffing - Month 4
- Training - Month 7
- Outreach - Month 12
- Operation - Month 13

Establishment of a Health Emergency Transportation System

The need for a health emergency transportation system for the East Bayshore Community was resolved in August, 1972, with introduction of the Mercy Peninsula Ambulance Service substation in East Palo Alto. This service has a contract with the County of San Mateo to provide 24-hour ambulance service. Unpaid bills for services called by the Sheriff's Department are picked up in part by the County. Emergency patients are taken to Stanford or Chope as well as to other hospitals in the County.

The system does not cover Belle Haven. This area relies on private ambulance services in Palo Alto. Santa Clara County has no arrangement with the Palo Alto service to cover indigents. Given this situation, it is necessary to evaluate further the responsiveness of the present ambulance services for Belle Haven.

Establishment of a Community Extended-Care Center for Senior Citizens

The creation of a community-based nursing home facility for senior citizens does not appear to be a primary concern or priority of East Bayshore residents. Nursing home facilities in the County, especially in southern San Mateo county and northern Santa Clara County are not fully occupied, and there is currently a moratorium on construction. Another explanation for the lack of interest in nursing-home and housing of senior citizens offered by people working in East Bayshore, is that the community looks unfavorably on the segregation or institutionalizing of parents and grandparents.

The basic need of the community is access to hospitalization. The absence of adequate funds for non-medical patients who are not covered by health insurance has, and will continue to, prevent patients from receiving comprehensive health care. Until the Federal government provides adequate funding, either through financing national health insurance or a nationalized health service, access to hospitalization will continue to be a problem for individuals with low-incomes, especially the working poor.



Hospitalization of East Bayshore residents without private insurance is primarily at Chope, the County hospital located in San Mateo. Special cases also go to Stanford, the nearest facility. Although there is no facility in East Bayshore, there is no shortage of hospital beds in the County. Access to hospitalization appears in the East Bayshore community to be a function of one's ability to pay.

A suggestion for an immediate care facility for minor surgery and limited in-patient care has been made. This proposal, however, would require a substantial investment in equipment and facilities that, given the availability of County beds, is not warranted despite its potential for cheaper, more efficient use of funds. Hopefully, when Drew opens its new facility adjacent to the new County building, more diagnostic and out-patient services will be offered that formerly required in-patient work-ups.

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Phase II of the East Bayshore Comprehensive Planning Program was undertaken in association with Chester McGuire, Payne-Maxie Consultants and Urban and Rural Systems Associates.

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